

# **BIRMINGHAM CITY COUNCIL**

## **CABINET**

**TUESDAY, 27 FEBRUARY 2024 AT 10:00 HOURS**  
**IN COMMITTEE ROOMS 3&4 (EXTRAORDINARY MEETING),**  
**COUNCIL HOUSE, VICTORIA SQUARE, BIRMINGHAM, B1 1BB**

## **A G E N D A**

### **1 NOTICE OF RECORDING/WEBCAST**

The Chair to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Public-I microsite ([please click this link](#)) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

### **2 APOLOGIES**

To receive any apologies.

### **3 DECLARATIONS OF INTERESTS**

Members are reminded they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at this meeting.

If a disclosable pecuniary interest is declared a Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If other registerable interests are declared a Member may speak on the matter only if members of the public are allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If it is a 'sensitive interest', Members do not have to disclose the nature of the interest, just that they have an interest.

Information on the Local Government Association's Model Councillor Code of Conduct is set out via <http://bit.ly/3WtGQnN>. This includes, at Appendix 1, an interests flowchart which provides a simple guide to declaring interests at meetings.

4 **EXEMPT INFORMATION – POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**

a) To highlight reports or appendices which officers have identified as containing exempt information within the meaning of Section 100I of the Local Government Act 1972, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.

b) To formally pass the following resolution:-

**RESOLVED** – That, in accordance with Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of those parts of the agenda designated as exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information.

**3 - 52** 5 **REPORT UNDER SECTION 25 OF THE LOCAL GOVERNMENT ACT 2003**

Report of the Finance Director and Section 151 Officer.

**53 - 90** 6 **RESPONSE TO BUDGET SCRUTINY TASK AND FINISH GROUP REPORT**

Report of the Director of Finance and the Section 151 Officer.

**91 - 414** 7 **2024/25 BUDGET SETTING FOR GENERAL FUND REVENUE ACCOUNT, 2024/25 TO 2027/28 CAPITAL PROGRAMME AND 2024/25 TREASURY MANAGEMENT STRATEGY AND POLICY**

Report of the Director of Finance and the Section 151 Officer.

**415 - 440** 8 **PAY POLICY STATEMENT 2023/24**

Report of the Director of People Services.

9 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chair are matters of urgency.

# Birmingham City Council

## Report to Cabinet

27 February 2024



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**Subject:** **Report under Section 25 of the Local Government Act 2003**

### Commissioner Review

- 1.1 The Council is in an extremely serious financial position as a result of the past decisions it has taken, both in deciding to take specific actions and failing to recognise and take proper corrective action. All local authorities are facing significant pressure in service delivery costs and the failures of the past have eroded the Council's room for manoeuvre. There is a narrow path to financial sustainability that will require both discipline and pace from both Members and Officers.
- 1.2 The Commissioners believe this budget is deliverable. However, to do so will require major improvements in the arrangements for the delivery of savings. This includes governance, monitoring and project management arrangements and also a change in organisational culture where successful delivery of change and savings is valued and problems overcome rather than hidden. There is also a real need to ensure Council recruits, retains and invests in people with the right skills and knowledge to undertake this work. The Council has made limited progress in this area and needs to do far more and at a far greater pace.
- 1.3 The same rigour must be applied to both the Oracle and Job Evaluation programmes. This budget is clearly dependent on the successful delivery of both these programmes. The mistakes of the previous projects cannot be repeated.
- 1.4 The Council has received £1.255bn in Exceptional Financial Support (EFS) from Government. For the avoidance of doubt EFS is really nothing more than a loan from government that must be paid back through asset sales. There are conditions for this loan that mirror the concerns raised above around savings delivery.
- 1.5 The narrow path to financial sustainability is dependent on the revenue budget being balanced within two years. This means that over this period revenue savings of £293m [Note: £226m existing savings programme + £67m budget deficit for 25/26, as per budget report] must be made, of which £226m are set out in this budget. If this cannot be delivered the Commissioners have serious concerns that the Council asset base will not be large enough to support a further request for EFS with a consequent major impact on services.

- 1.6 As well as delivering this budget effectively, the Council needs to start work on the 2025/26 budget immediately by identifying and starting to implement savings to address the overall budget gap. The Commissioners believe a far higher proportion of savings in this second year can be generated through efficiencies. This will require a far more considered approach to identification of savings and major changes to how the Council operates. These proposals need to be shaped by a coherent vision of what the smaller, more effective, Birmingham City Council will offer its citizens and businesses and how it will lead the place.
- 1.7 Now the real work of delivery needs to take place with discipline and pace. There are no other choices available.

# Birmingham City Council

## Report to Cabinet

27 February 2024



**Subject:** Report under Section 25 of the Local Government Act 2003

**Report of:** Fiona Greenway, Director of Finance and Section 151 Officer

**Relevant Cabinet Member:** Leader, Councillor John Cotton  
Cabinet Member for Finance & Resources, Councillor Brigid Jones

**Relevant O&S Chair(s):** Chair of Finance & Resources Overview & Scrutiny, Councillor Jack Deakin

**Report author:** Fiona Greenway, Director of Finance and Section 151 Officer

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential: N/A		

### 1. Executive Summary

- 1.1 This report provides the professional opinion of the Council's Section 151 Officer, under Section 25 of the Local Government Act 2003, and advises Cabinet, and subsequently Full Council, of the recommendations when considering the 2024/25 budget and Council Tax calculations. Cabinet and all Councillors must be fully mindful of the contents and conclusions set out in this report.

## **2. Recommendation(s)**

2.1 Cabinet is recommended to:

- a) Note the report under Section 25 of the Local Government Act 2003, in relation to the budget for the 2024/25 financial year.

## **3. Background**

3.1 The detail of this report can be found at Appendix 1 of this cover report.

## **4. Public Consultation and Engagement**

4.1 This report has been written in consultation with Statutory Officers, Commissioners, and the Leader, Deputy Leader, and Cabinet Member for Finance & Resources.

4.2 The 2024/25 budget will be subject to legal advice and guidance regarding the Council's legal duties including on the duty to consult and other statutory obligations under the Equality Act 2010.

## **5. Risk Management**

5.1 Risks and mitigations are contained within the Section 25 report at Appendix 1.

## **6. Compliance issues**

6.1 **How are the recommended decisions consistent with the City Council's priorities, plans and strategies?** This report supports the budget presented for the 2024/25 financial year.

6.2 **Legal Implications:** Where the Council is making budget and council tax calculations in accordance with the Local Government Finance Act 1992, the chief finance officer must report to it on the following matters:

- (a) the robustness of the estimates made for the purposes of the calculations, and
- (b) the adequacy of the proposed financial reserves.

The Council must have regard to the report when making decisions about the calculations in connection with which it is made.

6.3 **Financial Implications:** Financial implications are laid out within the Section 25 report at Appendix 1.

6.4 **Public Sector Equality Duty:** The Council will ensure that all actions taken in response to these recommendations are in line with the Public Sector Equality Duty.

## 7. Appendices

7.1 Appendix 1 – Draft Report under Section 25 of the Local Government Act 2003

7.2 Appendix 2 – Council Tax Letter to DLUHC\_090124

7.3 Appendix 3 – EFS letter to DLUHC\_230124



**Draft Report under Section 25 of the Local Government Act 2003**

**Fiona Greenway, Director of Finance and Section 151 Officer, pursuant to  
Section 151 of the Local Government Act 1972**

**27 February 2024**

**1. Introduction**

- 1.1. Section 25 of the Local Government Act 2003 stipulates that the Section 151 Officer must report on the following matters in line with budget calculations:
  - a) The robustness of estimates made for the purposes of the calculations, and
  - b) The adequacy of the proposed financial reserves.
- 1.2. This document contains my professional opinion as your Section 151 Officer, under Section 25 of the Local Government Act 2003, and advises Cabinet, and subsequently Full Council, of my recommendations when considering the 2024/25 budget. Cabinet and all Councillors must be fully mindful of the contents and conclusions set out in this report.
- 1.3. This report should be read in consideration of Section 31A of the Local Government Finance Act 1992, in relation to the calculations the Council must make on an annual basis as a billing authority. Further, when reading this report, Cabinet should be aware of the statutory notices issued in relation to the Council over the 2023/24 financial year. In particular:
  - a) Section 114 (3) notice of the Local Government Finance Act 1988, dated 5<sup>th</sup> September 2023, issued in relation to potential Equal Pay liabilities and an emerging in-year budget gap;
  - b) Section 5 notice of the Local Government and Housing Act 1989, dated 21<sup>st</sup> September 2023, issued in relation to omission of a decision in relation to a new Pay Equity Scheme;
  - c) Section 114 (2) notice of the Local Government Finance Act 1988, dated 21<sup>st</sup> September 2023, issued in relation to omission of a decision in relation to a new Pay Equity Scheme resulting in a loss or deficiency for the Council;
  - d) Statutory Recommendations under Schedule 7 of the Local Audit and Accountability Act 2014, dated 29<sup>th</sup> September 2023, in relation to Equal Pay, Oracle, Savings, Financial Sustainability and Statutory Accounts;

- e) Directions made under section 15(5) and (6) of the Local Government Act 1999, dated 5<sup>th</sup> October 2023, in relation to the appointment of Commissioners.

1.4. My report, as the Council's Section 151 Officer, is set out below.

## **2. Summary**

- 2.1. The Council is in a precarious financial position. Alongside the well-publicised potential Equal Pay liabilities, there is a significant budget gap of £225.9m for the 2024/25 financial year, and £67.4m for the 2025/26 financial year. This budget gap takes into account identified savings proposals of £149.8m for the 2024/25 financial year, and an additional £76.3m for the 2025/26 financial year. This means that the Council's net expenditure budget for the 2024/25 financial year is 24% higher than the £925.0m of Council Tax and Business Rates income expected for 2024/25.
- 2.2. Without Exceptional Financial Support (EFS) from the Department for Levelling Up, Housing and Communities (DLUHC), I would not be able to present nor recommend that the Council approves a lawful budget for the 2024/25 financial year. Members should not assume that EFS is an easy option to take. The EFS regime only provides the ability to capitalise revenue expenditure and is unfunded, requiring capital receipts generated by asset disposals to be realised to pay for it. Greater use of EFS has an impact on the asset base of the Council and its ability to retain operational sites.
- 2.3. This Section 25 report outlines the issues driving the current challenging financial position, including the reasons for the significant budget gap. I also describe the current risks – both local and national – that may impact the delivery of this budget. This Section 25 report also lays out the ways in which the risks can be mitigated.
- 2.4. Financial mismanagement is deep rooted within Birmingham City Council, with overreliance on the use of reserves, growing liabilities, imprudent estimates in relation to financial planning, a historical inability to deliver savings, and a number of open prior year accounts back to 2020. Alongside this, the flawed implementation of the Enterprise Resource Planning (ERP) system (Oracle) has

eroded the fundamentals of prudent financial management, resulting in a lack of financial clarity in decision making.

- 2.5. Given the scale of the financial challenge, Commissioners have set Council a challenge of presenting a balanced budget for the next two financial years, 2024/25 and 2025/26, taking both years together. As such, the budget reports being presented will set out a two-year budget. The Council must find a way of living within its means; that is, being financially sustainable and not placing reliance on the use of reserves unnecessarily, as has been the practice over prior years. This is the only way to avoid future Direction from the Commissioners or even more stringent Government intervention and protect the residents of this City from further and deeper budget savings. While it is not possible to present a budget for the 2024/25 financial year without EFS from DLUHC, the intention is that the Council will work towards a balanced budget for the 2025/26 financial year.
- 2.6. The 2024/25 budget has to:
- a) Re-base and re-state the budget for 2023/24, which was fundamentally flawed in its construction, through a full review of budget lines and the assumptions behind the existing budget forecasts for the 2024/25 financial year (as laid out in the 2023/24 Financial Plan), as described in Section Five below;
  - b) Lay out the full range of budget pressures that have been forecast by officers across the Council;
  - c) Present a new, credible and deliverable savings programme, accompanied by meaningful delivery plans;
  - d) Address the structural budget issues identified within the re-base exercise;
  - e) Ensure that the fiduciary duty of the Section 151 Officer to local taxpayers is satisfied and that the decisions on reserves and balances represent proper stewardship of public funds.
- 2.7. Delivering this budget will be extremely challenging. Alongside the very difficult choices that impact residents, there will need to be a significant culture change within the Council. Over the past few years, there has been poor organisational leadership and culture, including inadequate financial management and controls with a lack of focus on the short and medium term financial sustainability of the

Council. There has also been a demonstrated lack of ability to deliver transformation programmes across the Council. This will require new ways of working and, where possible, additional skills and capacity across the Council. This is the absolute premise upon which this budget is set. Savings proposals have been defined and risk assessed as credible, however the ultimate measure of success will be in the delivery itself.

### **3. Introduction**

3.1. In order to form a view on the robustness of the estimates and adequacy of reserves for Birmingham City Council, the following items will be considered within this report:

- Section 4: Birmingham City Council Context (Pages 5 to 12 refer);
- Section 5: Local risks relevant to budget setting for the 2024/25 financial year (Pages 12 to 17 refer);
- Section 6: Wider risks relevant to budget setting for the 2024/25 financial year (Page 17 refers);
- Section 7: Risk Assessment (Page 18 refers);
- Section 8: Adequacy of Reserves and Balances (Page 19 refers);
- Section 9: Support from the Department for Levelling Up, Housing and Communities (DLUHC) for the 2024/25 financial year (Pages 20 to 21 refer).

#### **4. Birmingham City Council Context**

- 4.1. On the 14<sup>th</sup> February 2023, Cabinet considered a draft Financial Plan for the period 2023-2027 which outlined a balanced Medium Term Financial Plan (MTFP) for the four financial years. This plan outlined the financial context for delivery of the vision and priorities of the City Council, as considered within the Corporate Plan for 2022-2026 which was agreed in October 2022.
- 4.2. At the commencement of the 2023/24 financial year, the Council uncovered the true extent to which the failed Oracle ERP system implementation in April 2022 had undermined financial management. Reliance could not be placed on the most basic of financial information from the system, with Directorates unable to receive monitoring reports which reflected the true in-year financial position. Further, the fundamentals of a financial control framework embedded into the Oracle system were not implemented. As a result, there was no assurance that the financial information provided at the commencement of the 2023/24 financial year provided a sound basis for decision making, nor can any reliance be placed on the Section 25 report presented alongside the budget for the 2022/23 financial year, and this challenges the assumptions of the equivalent report for 2021/22.

#### **Potential Equal Pay Liabilities – Section 114 (3) Notice**

- 4.3. During the 2023/24 financial year there have been a number of significant statutory interventions and announcements in relation to the Council's financial position.
- 4.4. During the early stages of the 2023/24 financial year, refreshed analysis of the Council's potential Equal Pay liabilities identified an increased potential liability in the region of £650-760m. The Council announced this refreshed analysis on 28<sup>th</sup> June 2023, outlining that the Council would not be able to afford the liabilities from existing resources including reserves. This is one of the biggest financial challenges that the Council had ever faced, and it means that significantly less resources are now available for the 2024/25 financial year.
- 4.5. In the Quarter One update on the 2023/24 financial position, presented to Cabinet on 25<sup>th</sup> July 2023, it was projected that there was an in-year budget shortfall of £87.4m in the 2023/24 financial year, rising to £164.8m in 2024/25 (against the

forecasts included within the 2023/24 Financial Plan), reflecting the extent to which the costs of service provision exceeded funding levels. This was the first formal reported indication of the in-year financial challenges being faced by the Council.

- 4.6. On the 5<sup>th</sup> September 2023 I, as the Council's Section 151 Officer, issued a Section 114 (3) notice under the Local Government Finance Act 1988. Within this report I outlined that the Council was currently in a negative General Fund position because the cost of providing for potential Equal Pay liabilities, that the Council was legally obliged to recognise, resulted in exceeding the financial resources available to the Council. This meant that the spend due to fall within the 2023/24 financial year would exceed the financial resources available to the Council in the same period.
- 4.7. Further, not only did the Council have insufficient resources to meet that expenditure, but the Council was not in a position to be able to agree a solution that would allow suitable funding or financing to be obtained for this liability. This position was confirmed through extensive discussions with External Auditors, regulatory stakeholders, and leading King's Counsel who confirmed my assessment of the financial situation.
- 4.8. In addition, the Council's in-year financial position was deteriorating. A lack of action following the Quarter One update on the 2023/24 financial position had exacerbated the forecast overspend for the 2023/24 financial year. Insufficient in-year savings proposals had been presented to remediate the financial situation, and informal spend control arrangements had not stemmed the flow of overspend within Directorates.
- 4.9. As a result, in my role as the Council's Section 151 Officer, I was unable to finalise the provisions for potential Equal Pay liabilities set out in the 2020/21 and 2021/22 draft accounts, nor could I write the supporting going concern statements for these financial years, nor could I make a Section 25 statement under the Local Government Act 2003, nor could I approve the accounts for the three financial years (2020/21, 2021/22, and 2022/23).
- 4.10. On the 19<sup>th</sup> September 2023 the Secretary of State for Levelling Up, Housing and Communities Michael Gove made an oral statement to Parliament. In this statement Secretary of State outlined that the Government was minded to intervene at Birmingham City Council in order to protect the residents and

taxpayers of Birmingham. This was in response to the Section 114 (3) notice, the admission of backdated potential Equal Pay liabilities, an in-year budget deficit, and the costs of implementing an ERP system, all of which were too significant for the Council to manage financially.

#### Job Evaluation Programme – Section 5 and Section 114 (2) Notices

- 4.11. On the 21<sup>st</sup> September 2023 the Monitoring Officer issued a Section 5 notice under the Local Government and Housing Act 1989. As a result, on the 21<sup>st</sup> September 2023 I, as the Council's Section 151 Officer, issued a Section 114 (2) notice under the Local Government Finance Act 1988. These reports were triggered by the omission of a decision in relation to the implementation of a job evaluation programme (also known as a Pay Equity System [PES]). Without an agreement to implement a new PES by 1<sup>st</sup> April 2025, the total potential Equal Pay liability would continue to grow. Moving one of the key assumptions to the calculation of the Council's total potential Equal Pay liability, would cause a further deficit to the Council.
- 4.12. In response to the two Section 114 notices and the Section 5 notice, two extraordinary meetings of the City Council were held in order to consider and respond to the reports.
- 4.13. On the 25<sup>th</sup> September 2023, an Extraordinary meeting of the City Council considered the "Response to Section 114 Notice – Financial Recovery Plan" report. This report set out the elements of the Council's Financial Recovery Plan and how these would be taken forwards. This included asset disposals, redesigning the organisation to achieve a sustainable MTFP, and generating additional income. Within this report, the Chief Executive outlined that the Council would likely require Exceptional Financial Support (EFS) from Government, including agreement to capitalise the potential Equal Pay revenue liabilities, and explore options to repay the associated borrowing costs over an agreeable period of time. This report and the Section 114 (3) notice were accepted at this meeting, and agreement was given to implement Spending Control measures under my direction as the Section 151 Officer until such a date as the Council has passed an approved balanced budget for the 2024/25 financial year.

External Auditor – Statutory Recommendations

4.14. On the 29<sup>th</sup> September 2023 the Council's External Auditor Grant Thornton issued Statutory Recommendations under Schedule 7 of the Local Audit and Accountability Act 2014. This report set out 12 statutory recommendations across a wide range of areas where they considered urgent actions was needed by the Council. This was due to the significance of the matters referred to within the Section 114 and Section 5 reports, announcements by the Secretary of State, and the External Auditor's own investigations. Grant Thornton also noted that further application of formal audit powers may be warranted if the Council does not deliver an appropriate job evaluation process, does not secure its financial stability, does not ensure its financial reporting system is adequate for its needs, does not ensure appropriate governance arrangements, or if its response to the statutory recommendations in the report are not adequate.

Commissioner Intervention – Section 15(5) and (6) Directions

4.15. On the 5<sup>th</sup> October 2023 the Secretary of State for Levelling Up, Housing and Communities issued Directions under Section 15(5) and (6) of the Local Government Act 1999. The Directions implemented an intervention package which included the nomination of Commissioners and political advisors to the Council. These Directions enabled the Commissioners to exercise functions associated to governance and the scrutiny of strategic direction, financial governance and financial decision making, administration of the Council's financial affairs and financial management, appointment and dismissal of holders designated as statutory officers, structure for senior positions and to determine the recruitment processes, the Council's operating model and redesign to achieve Value for Money (VfM), and development, oversight and operation of enhanced performance management of officers in senior positions.

4.16. On the 12<sup>th</sup> October 2023 City Council considered the Section 5 and Section 114 (2) notices, alongside the report titled "Pay Equity System". Within this report, City Council was updated on the outcome of an extended period of consultation with the recognised Trade Unions on a renewed PES. Further to this report, a Supplemental report was issued, of the same name "Pay Equity System", which delegated the authority to the Head of Paid Service to agree the terms of a revised

addendum on behalf of the Council with its three recognised Trade Unions on or before 4pm 22<sup>nd</sup> October 2023.

4.17. Further to this report, the deadline of the 22<sup>nd</sup> October 2023 was met, and as such agreement to proceed with Option 2, which was to use an adapted version of the NJC Gauge methodology in order to secure a new PES. This was a key step to limit the ongoing growth of the potential liabilities in relation to Equal Pay.

#### Centre for Governance and Scrutiny – Independent Governance Review

- 4.18. An independent governance review, at the request of DLUHC, was completed by the Centre for Governance and Scrutiny (CfGS). This report was completed in November 2023, and the findings presented to Cabinet on 12<sup>th</sup> December 2023. This report provided an independent review around how decisions are made, how members and officer work together to make those decisions, and how information and insight is used to support that decision making.
- 4.19. The report highlighted the fact that the unique issues faced by the City Council are symptoms of a wider problem in relation to governance and accountability which, to date, remains largely unaddressed even though the Council, and others, had been aware of it for some time. The report also stated that the Council does not function as one organisation, there is not a “whole Council” approach to identify priorities, and that profound cultural and behavioural change is necessary.
- 4.20. Relevant to the budget and this Section 25 report, the report highlighted a lack of capacity to do more, to do it more quickly, and to deliver the change that everyone knows is needed. There is doubt cast over the deliverability of improvement plans, the limited capacity to deliver these improvements, and the lack of accountability for the challenges and complexity the Council faces.
- 4.21. The findings of this report must be considered when looking at the deliverability of the budget presented for the 2024/25 financial year, and steps must continue to be taken to address the highlighted challenges.

Section 151 Officer Updates on the Financial Position of the Council

- 4.22. Further to additional reporting on exceptional financial management events to the Council, in my role as the Council's Section 151 Officer I commenced a series of "Section 151 Officer Update on the Financial Position of the Council" reports to Cabinet on a monthly basis. This was recommended following the commencement of Commissioner led intervention, and supplemented the fortnightly Commissioner Finance Board at which I present updates on the financial position to Officers, Members and Commissioners.
- 4.23. On the 14<sup>th</sup> November 2023, the first S151 Officer report on the Financial Position was issued to Cabinet. Within this report, I outlined the significant underlying financial challenges of the Council. This included an update on the projected budget gap for the 2024/25 financial year which stood at £164.8m (against the forecasts included within the 2023/24 Financial Plan), the Council's negative reserves position which stood at (£677.9m), and the substantial savings targets that had been issued to the Councils Corporate Leadership Team (CLT) to develop sustainable savings plans for the 2024/25 and 2025/26 financial year.
- 4.24. On the 12<sup>th</sup> December 2023, the second S151 Officer report on the Financial Position was issued to Cabinet. Within this report, I outlined an updated assessment of the savings programme for the 2023/24 financial year and an update on the financial position for 2024/25 and 2025/26. At this stage, due to confirmed non-delivery of savings in the 2023/24 financial year, a total of £39.9m of savings were effectively written off. In addition, due to the lack of expediency in delivery of new savings to address the in-year budget gap, the Council was left in a position with little option but to address the overspend through the use of one-off mitigations. This caused further deterioration in the medium term financial stability of the Council.
- 4.25. At the time of writing the report, the Council was performing a re-basing exercise of the 2023/24 budget, the outcomes of which can be found within in **Section 5 of this Section 25 report** on 'Local Risks' section of this report. At this stage the two year savings target for the Council was circa £300m. At the time of writing the report a total of £149.8m of savings had been identified for the 2024/25 financial year.

4.26. On the 16<sup>th</sup> January 2024, the third S151 Officer report on the Financial Position was issued to Cabinet. Within this report I provided an update on the overall financial position and savings programme for the 2024/25 and 2025/26 financial years. At this stage the Council had identified £149.2m of savings for the 2024/25 financial year, and a further £81.8m of additional savings for the 2025/26 financial year. At this stage the Council confirmed it was in a position where formal requests would now be required to be issued to DLUHC to explore EFS for enable setting of a balanced budget for the 2024/25 financial year. The letters issued to DLUHC will be explored within **Section 9 of this Section 25 report** on 'Support from DLUHC'.

#### Impact on the 2024/25 Financial Year

4.27. The budget presented for the 2024/25 financial year must be seen in the context of the timeline above, my interventions as the Council's Section 151 Officer, and statutory interventions from the Monitoring Officer, External Auditor, and Secretary of State.

4.28. The Council has severe financial challenges which have arisen over a period of several financial years and have been masked by inadequate financial management. The challenges themselves are outlined in **Section 5** of this Section 25 report, however the impact of these challenges is that the Council does not currently have an adequate reserves position without Government intervention. Without placing reliance on the receipt of Exceptional Financial Support from DLUHC, I would not be able to write this Section 25 statement in my role as the Council's Section 151 Officer.

4.29. The acute nature of the financial challenges of the Council is highlighted by the fact that, without EFS from Government, I cannot:

- a) Present a budget to Council for the 2024/25 and 2025/26 financial years, as the current funding envelope would mean that the budget presented would have an in-year deficit for these financial years;
- b) Write a Section 25 Statement under the Local Government Act 2003, in my role as the Council's Section 151 Officer, due to inadequate reserves to cover all potential liabilities owed by the Council which are recognised within its accounts;

- c) Close prior year accounts currently in draft with External Auditor Grant Thornton for the 2020/21, and 2021/22 financial years due as I am unable to write an adequate going concern statement;
- d) Present draft accounts for the 2022/23 financial year to the External Auditor Grant Thornton, as I cannot write an adequate going concern statement.

4.30. This is an unprecedented financial situation which has a profound impact on the ways of working for the City Council, for the services it provides to its residents, and will impact the daily lives of thousands within the City.

## 5. **Local risks relevant to budget setting for the 2024/25 financial year**

5.1. In addition to the general risks affecting the sector as a whole, which are set out in **Section Six** below, there are a number of specific local risks that need addressing in order to develop a sustainable financial strategy. The below list outlines the financial risks and associated mitigations:

- a) The **potential Equal Pay liabilities**, that led to the issuance of a Section 114 (3) notice in September 2023. The Council must limit the growth of any liabilities by implementing a new system of pay and grading to remove any future potential Equal Pay liabilities and do so by the 1 April 2025 (which is the target date assumed by current estimates); and settle any potential existing Equal Pay liabilities.

### Mitigation:

The Council must focus on implementing a new system of pay and grading and settling potential existing liabilities. This will limit the financial impact of liabilities, and also address uncertainties in these liabilities by realising their true value;

- b) While the Section 114 (3) notice was issued as a result of potential Equal Pay liabilities, the Council was already facing a significant **in-year budget gap**. This budget gap has increased as result of the rebasing work to review

and address flaws in the existing budget pressures and budget forecasts for the 2024/25 and 2025/26 financial years. A range of issues has been uncovered and is reflected in the budget report for 2024/25. These issues include reviewing a range of unfunded commitments and providing funding for these where the Council is committed to them; reviewing and updating inflation forecasts, particularly for general price inflation and third party payments to Adults and Children's social care providers; and reviewing and writing off the entirety of the existing savings programme on the basis of under-delivery and the lack of meaningful delivery plans to achieve delivery.

#### Mitigation

The budget presented for the 2024/25 financial year has identified and corrected all known issues uncovered through this rebasing exercise. For issues that are not yet known, contingencies have been set aside and a Strategic Reserve has been created to address items that the Council did not, or could not, have known at the time of setting this budget. Further, in order to facilitate prudent financial management, the Section 151 Officer Spend Control Board, and local Directorate arrangements, will remain in place during the 2024/25 financial year until such a time as I can assure the organisation that sufficient financial management is in place.

- c) There is concern around the Council's **ability to deliver the new savings programme**. The Council does not have a track record of savings delivery, and was unable to deliver the existing savings programme (as per the 2023/24 Financial Plan). This resulted in a complete write off and overhaul of the entire savings programme. The ability to deliver savings is a significant concern to Officers, Members and Commissioners.

#### Mitigation

Each of the new savings proposals has a detailed Delivery Plan and where necessary an Equality Impact Assessment, both of which have received significant review in the development stage. These Delivery Plans will be subject to continuous monitoring, and should be challenged by Members to ensure delivery is achieved. All Directors must live within their budgeted

means, and as such compensate non-delivery of savings with sufficient savings of an equivalent value in-year. It is recommended that work on the 2025/26 budget setting process is started as soon as the 2024/25 budget is set.

- d) The Council has collected less Council Tax and Business Rates income than had been forecast in prior years, resulting in a **Collection Fund deficit**. As a result, there is a combined £64.3m deficit across Council Tax and Business Rates income. This not only impacts on Birmingham City Council as an authority, but also other precepting authorities with whom we share the losses of a Collection Fund deficit. Some of this deficit is attributed to economic issues, particularly in Business Rates where the number of businesses in the City have not grown as much as previously forecast. This is also attributed to issues common to other Councils, as a large number of appeals against Business Rates valuations were received in March 2023 which was the deadline by which businesses could submit a challenge to their previous business rates valuations from 2017. However, an element of this deficit is attributed to the new Oracle ERP system. From implementation of the Oracle system in April 2022 until January 2023, debt enforcement activity was effectively paused across the Council. This work has accelerated since January 2023 and significant progress has been made to clear the backlog of outstanding debt. Notwithstanding this activity the Council's debt levels, and therefore its bad debt provisions (for estimated debt to be written off), have increased.

Mitigation:

The Council will invest in additional staff to carry out debt enforcement activity, as well as continuing to refine future income forecasts, with the help of specialist independent experts. Council Tax collection rates have been reset to 97.4%, from 97.1% in prior years. The Council has approximately £152.4m out of year Council Tax arrears spread over 351,600 accounts, and £111m of business rates arrears over 31,000 accounts. A proportion of these accounts currently have recovery action being taken against them that is covered by existing resource, however additional resource is being identified

via proposed savings to address 78,000 accounts with a combined debt value of approximately £85m (out of £263.4m).

- e) More broadly, the issues with the **Oracle ERP system** have had a wider impact on this budget. Whilst the finance system is working practically in many instances (e.g. paying staff, suppliers), difficulties remain around the integrity of the finance ledger. At the most basic level, I have been unable to place reliance on the most elementary financial information from the system. The flawed ERP implementation eroded the very foundations upon which sound financial management could have been based. As a result, there has been no assurance that financial information provides a sound basis for decision making. This has made it difficult for Directors and Finance Business Partners to forecast future demand and cost pressures, on which this budget (or any budget) is based. There are also wider issues around fundamentals of a financial controls framework embedded in to Oracle, and this must be addressed to return the Council to a sound financial footing.

Mitigation:

The Council has relied upon the best available information and experience from across the Council to enable forecasts to be as accurate as possible. As noted above, where unforeseen events occur, contingencies have been built into this budget and held within reserves. Most importantly, the Oracle Stabilisation and Recovery Plan continues to tackle the root causes of the system issues, overseen by a new governance structure. Action to address the bank reconciliation and income management system must accelerate to remediate issues in the quickest possible timescale.

- f) If the Council is to live within this budget, and not require further EFS from Government in future, a critical part of this will be to **deliver on the planned programme of asset disposal**. Commissioners have been clear that our objective must be to have no new borrowing for the Capital Programme by the end of the 2025/26 financial year. The scale of this programme is extremely large and there is a risk, particularly in the current economic environment, that the Council will find it difficult to secure sales at favourable

rates. This is particularly acute due to the volume of assets proposed to be sold. The current size of the Council's asset base for the proposed sale of assets, to generate the required capital receipts to fund EFS, is limited by the size of the operational asset base. This means that operational assets, such as schools, parks, and highways, cannot be sold to generate receipts. As such, concentrated Council activity is required to minimise the value of the capitalised expenditure through: delivery of all identified savings for the 2024/25 and 2025/26 financial years; identification of new savings to close the current budget gap in 2025/26; implementing a new pay and grading structure; and, delivering a negotiated settlement in relation to potential Equal Pay liabilities.

Mitigation:

The Council has established a Cabinet Property Sub-Committee to focus on the programme of asset sales, and a programme management framework for asset disposals is being set up. This will support generating the capital receipts required to address the capitalised revenue expenditure under any approved EFS arrangement.

- g) At present, External Audit has not signed off the Council's **accounts for the 2020/21 and 2021/22 financial years**. Any required changes to these accounts will have a resultant impact on the 2024/25 budget; in particular, the levels of forecast reserves and balances that are held corporately. These audits are currently ongoing.

Mitigation:

A close relationship with External Audit is being maintained, in order to accelerate responses to queries and support the conclusions of audits in relation to previous financial years.

- h) As a result of the range of issues faced by the Finance team in recent months, as highlighted in this report, the current finance team is **heavily dependent on interim support**, particularly at the senior level, which is unsustainable in the medium term. Whilst a re-structure of the Directorate is

being planned, this reliance on interims will continue, at least in the short term, in 2024/25.

Mitigation:

A succession plan is being developed in order to replace interim resources within the Finance team, and ensure there is sufficient capability and experience held by substantive employees alongside a comprehensive training and development plan.

- 5.2. It should be noted that these problems relate primarily to the Council's General Fund. The Housing Revenue Account is not seeking any EFS to cover potential Equal Pay liabilities. The Dedicated Schools Grant is not currently in deficit, as is the case in a range of other authorities.

**6. Wider risks relevant to budget setting for the 2024/25 financial year**

- 6.1. Due to increasing demand, relative to available funding, there are pressures impacting Birmingham that are also felt across other Councils. In particular, increasing demand pressures across adults and children's social care and temporary accommodation represent the biggest services pressures for Birmingham.
- 6.2. Further to this, there is always the potential for more legislative change that could place additional financial burdens on the sector. This will need to be monitored throughout the year and reported periodically to Cabinet.
- 6.3. Finally, there is no certainty on future Government funding allocations beyond the 2024/25 financial year, this has an impact on the level of contingencies and reserves the Council needs to set in the 2024/25 financial year.

## 7. **Risk Assessment**

- 7.1. As the largest local authority in Europe by population size, and a unitary Council, Birmingham provides a broad range of services and has an inherently higher level of risk than many other authorities simply due to the complexity and nature of the services it provides. The scale of the operations exacerbates the challenges noted in **Section Four** of this report.
- 7.2. There are areas of risk that remain subject to volatility. These include:
- a) **The scale of demand for demand-led services** – across social care, the issue is not just the number of people seeking support but also the complexity of the support needs, which appear to be growing in recent years and are forecast to continue to grow. Meanwhile, as residents continue to face financial difficulties, demand for hardship support is likely to increase.
  - b) **Income sources** – the Council has a wide range of income sources, including fees, charges and rents. Forecasting income across a huge range of different sources is necessarily complex and each element is driven by a range of factors.
  - c) **Council's risk as an employer** – which has and will require the Council to budget for the cost of redundancy packages incurred in the delivery of the required budget savings, service transformation and restructuring. There are further risks from other employee related claims.
  - d) **Risks related to the organisation's culture and its ability to deliver its strategy** – as highlighted in detail within the report by the Centre for Governance and Scrutiny and the concerns raised within the External Audit Statutory Recommendations. Both of these reports highlighted significant issues with the Council's capability, competence, relationships, turnover, corporate memory, and overall ability to secure the Council's future.
  - e) **Risk of claims arising from the implementation of budget savings** – the Council has considered, through Equality Impact Assessments, the need for citizen consultation on the implementation of new savings proposals. However, there continues to be the risk of Judicial Review.

## 8. **Adequacy of Reserves and Balances**

- 8.1. Without the receipt of EFS from DLUHC, the Council would exhaust its existing reserves and still require additional support. The scale of the potential Equal Pay liabilities and 2024/25 budget gap is such that reserves are insufficient. EFS would enable the Council to ensure reserves can be maintained at a prudent level.
- 8.2. The prudent level of reserves a Council should maintain is a matter of judgement. As noted in the budget report, I have sought to increase General Fund Balances to £57.6m for the 2024/25 financial year, which is 5% of the net expenditure budget (which has traditionally been seen as an adequate level of reserves) and create a new Strategic Reserve. The Strategic Reserve is to be used for Strategic challenges faced during the financial year which could not have been foreseen as part of the annual budgeting process.
- 8.3. The Council also holds a range of other reserves that can be used to mitigate specific future pressures or risks the Council faces, including the Highways PFI reserve (to mitigate future highways costs) and the Business Rates Volatility Reserve to protect against future losses.
- 8.4. It is noted that in relation to the Highways PFI, the Council has commenced formal Judicial Review proceedings in relation to the Council's PFI arrangements. The Judicial Review is to challenge the Department of Transport decision in November 2023 to cease the £50m per year PFI Credits which underpin the Council's Highways Maintenance Contracts for next 12 years. Without this subsidy the Council will not be able to afford the current specification of works. This is now subject to ongoing legal proceedings and therefore, it would be inappropriate at this stage for further comments in respect of this matter to be made pending the outcome of the Court's decision.
- 8.5. In setting the budget for 2024/25, estimates have been made of the required level of reserves and provisions, and these have been included in the Council's request for EFS from DLUHC. Provisions relate to known events, which have occurred and that have given rise to potential liabilities for the Council, whereby the exact amount or timing of the payment is not clear. These estimates will need to be continuously reviewed.

9. **Support from the Department for Levelling Up, Housing and Communities (DLUHC) for the 2024/25 financial year**

- 9.1. Two formal written requests to DLUHC for EFS have been submitted, supported by Commissioners (attached as Appendix 2 and Appendix 3 to this report). This is in order to allow the Council to present a balanced budget for the 2024/25 financial year.
- 9.2. On 9<sup>th</sup> January 2024, the Council requested permission to increase the Council Tax level above the referendum limit to 9.99% in the 2024/25 and 2025/26 financial years. This would result in estimated cumulative additional Council Tax income of £61.2m by the end of the 2025/26 financial year (£21.8m in 2024/25 and £39.4m in 2025/26). Additional Council Tax Support for those already in receipt of support under Section 13A (1) (c) of the Local Government Finance Act 1992 (as amended) is included in this budget. DLUHC has agreed to this request and the impact of this forecast additional income is included in this budget report. A failure to increase Council Tax by the maximum amount would require an additional £4m of new savings to be identified and incorporated into this budget for every percentage point below the maximum amount of increase agreed with DLUHC.
- 9.3. On 5<sup>th</sup> February 2024, the Secretary of State Michael Gove confirmed in a written statement in the House of Commons that “the Government will not oppose this request [in relation to increasing Council Tax levels above the referendum limit] given the seriousness of the circumstances”. However, the statement also warned of the “ongoing concern about the significant financial mismanagement at the Council”.
- 9.4. On 23<sup>rd</sup> January 2024, the Council requested permission to capitalise revenue expenditure in relation to the 2019/20 to 2024/25 financial years. This capitalisation would allow the use of capital funding (i.e. capital receipts) to address revenue spend. The Council requested capitalisation for the budget gap for the 2024/25 financial year, redundancy costs in relation to the Council’s savings programme, potential equal pay liabilities, and an EFS contingency. This EFS contingency should only be made available to address items the Council did not or could not have known at the time of setting the 2024/25 budget, and will not

be used to address non-delivery of savings or poor financial management by budget holders. The total value of this EFS request was £1.255bn.

At the time of writing this draft report, the Council has not yet received confirmation of the conclusions of DLUHC consideration of this second request. However, the Council has been in engagement with DLUHC and responded to queries arising. It is understood that all Councils seeking EFS will be notified together.

## **10. Conclusion**

10.1. In the circumstances outlined within this report it is impossible to give the assurances that are normally contained within a Section 25 report, as the financial situation at Birmingham City Council is both unique and acute.

10.2. To date, I can acknowledge the Council has:

- a) Put forward a more robust set of savings with clear owners and delivery plans, to give this transformation programme a better chance of success;
- b) Increased awareness of financial management's importance, requirements and the necessity of preparing and living within a budget, taking appropriate financial decisions and operating sound governance;
- c) Kept DLUHC fully involved in all aspects of its financial situation and will do so in the future;
- d) Re-based the budget for the 2023/24 financial year in light of the best available information at the time of publishing this report, refreshing all assumptions for use in the 2024/25 financial year; and
- e) Built contingency into the budget estimates, with the assumption that the EFS request to DLUHC includes a contingency to cover possible unforeseen events with a view to avoiding the need for additional support requests in future years.

10.3. It is clear that, in line with Commissioner instructions, the Council must:

- a) Present a balanced two-year Medium Term Financial Plan (MTFP) for the 2024/25 and 2025/26 financial years;
- b) Present a balanced four-year MTFP for the 2025/26 to 2028/29 financial years;
- c) Ensure the plans which support this MTFP are credible and deliverable, satisfying the contingencies outlined in paragraph 10.2; and
- d) Achieve zero new borrowing for General Fund Capital purposes by the end of the 2026/27 financial year.

10.4. As such, the presented budget is credible and deliverable, on the basis that the following arrangements continue to hold true throughout the 2024/25 financial year:

- a) The Oracle ERP Programme is remediated at an accelerated rate, prioritising income management, such that the Council has a suitable and stable financial management system to support operational delivery;
- b) The Council resolves the issues in relation to potential Equal Pay liabilities, addressing the root cause of issues through the implementation of a new pay and grading structure, and agreeing a negotiated settlement for the potential liabilities arising;
- c) The Council's savings programme is delivered and supporting processes are developed that are sufficiently robust that they provide further assurance to the delivery of savings;
- d) Suitable transformation and delivery arrangements are put in place to support the changes required to achieve the significant savings programme;
- e) The leadership and culture challenges identified through formal reviews, such as the CfGS review, are addressed and remediated as part of the stabilisation plan;
- f) Financial Management provided by the Finance Directorate, and specifically those working alongside Service teams such as Finance Business Partners, support and challenge financial decision making effectively to protect the Council's Best Value;
- g) Commissioners are satisfied with the response to their intervention, including ensuring the Finance Commissioner is satisfied with the financial management arrangements delivered by all Officers and Members of the Council;
- h) There is a satisfactory conclusion to the request for Exceptional Financial Support, from the Department for Levelling Up, Housing and Communities, without which a balanced budget cannot be presented to Council; and
- i) Sufficient contingencies are provided for within the budget and ongoing financial management such that reserves are sufficient, adequate, and

provide assurance that items which are not known, or could not feasibly be known, at this stage could be addressed in-year.

10.5. It is clear that some of these arrangements are not yet in place, however they can be put in place and this must be done at pace to assure the delivery of this budget.

10.6. Directors and Members need to acknowledge that they must deliver on the commitments made within the budget for 2024/25, and in particular relating to the proposed savings which ensure the budget is achievable.

10.7. In providing this statement, the Council must maintain an on-going review of all risks, including those associated with the delivery of budget savings decisions and report throughout the 2024/25 financial year.

**Fiona Greenway**

**Director of Finance and Section 151 Officer**

**Date 27 February 2024**

**Suzanne Clark**  
**Local Government Finance**  
**Department for Levelling Up, Housing & Communities**  
**2 Marsham Street**  
**SW1P 4DF**

**9 January 2024**

## **Council Tax increase for Birmingham City Council for 2024/25 and 2025/26**

Dear Suzanne,

### **Introduction**

Ministers will be aware of the current financial situation for Birmingham City Council (BCC). The work continues at pace to tackle these issues including equal pay claims and to mitigate those liabilities. This letter highlights the work that has been done to date and explains the current financial situation.

The Council's number one priority is to deliver – and live within – a balanced budget for the next two financial years. To achieve this, alongside commissioners, the Council's Leadership Team has carried out an in-depth review of all directorates' budgets to understand where financial pressures exist and how they can be mitigated.

### **Budget challenge for 2024/25 and beyond**

The Council faces a significant budget gap for the 2024/25 financial year and beyond. This budget gap is caused by a range of factors including:

- Historically poor organisational leadership and culture, including inadequate financial management and controls with a lack of focus on short and medium term financial sustainability of the Council;
- The material reliance on the use of one-off reserves to support ongoing pressures;
- The impact of inflation, in addition to the amounts that had been forecast and set aside for this financial year;
- Undelivered savings in prior years, leading to the need to rebase the 2023/24 budget through a series of savings write offs;
- Significant and on-going costs to stabilise and improve the functioning of the Council's Oracle finance system through the Stabilisation and Recovery Plan;
- A significant Collection Fund deficit (i.e. lower than expected income from Council Tax and Business Rates) due to a combination of lower than expected growth in new homes and businesses, increased debt levels and higher than expected



levels of appeals against business rate valuations. The Council remains committed to supporting the growth of our City and Regional economy;

- The costs required to implement a new scheme of job evaluation to prevent future successful equal pay claims from staff;
- Additional service pressures – most notably, growth in demand and complexity of care packages across Adult’s and Children’s social care and increased forecast requirement for temporary accommodation. These pressures are consistent with the national picture and are being experienced by the majority of Local Authorities across the country; and
- In addition, BCC has recently been notified by the Department for Transport of its intention to discontinue the existing Highways PFI arrangement which provided for £50 million of credits until 2035. This will create additional pressures on the Council’s revenue budget in future years.

In addition to the costs involved, the issues with the Oracle Enterprise Resource Planning (ERP) system are publicly well-known and well-documented and have two practical impacts on the budget setting process for 2024/25:

1. Forecasting future demand and cost pressures – while the finance system is working practically in many instances (e.g. paying staff, suppliers), difficulties remain around the integrity of the finance ledger.
2. Higher than expected debt levels – from implementation of the Oracle system in April 2022 until January 2023, debt enforcement activity was effectively paused across the Council. This work has ramped back up since January 2023 and significant progress has been made to clear the backlog of outstanding debt.

There is significant work, as part of the Oracle Stabilisation and Recovery Plan, to mitigate the root causes of the system issues, together with a newly-formed Transformation Board chaired by a Commissioner.

As a result of these challenges, analysis has been carried out to identify potential overspends and provide for these pressures in the budget for the 2024/25 and future financial years. This has led to, as currently estimated, a budget deficit for the 2024/25 financial year is in the region of £300m. Taking into account the estimated £150m of savings for 2024/25, this still leaves a potential budget gap of £150m.

Further work is ongoing with commissioners to build a savings plan to balance the 2025/26 budget and to identify and deliver £300m of savings over the next two financial years.



## Council Tax request

However, without a significant Council Tax increase for 2024/25, the Council will continue to face ongoing budget pressures.

The following scenarios have been considered:

Additional income per year (compared to prior year)	2024/25	2025/26	2026/27	Total additional income (compared to 2023/24 Council Tax charge)
<u>Currently budgeted for</u>  4.99% increase in CT for 2024/25; and  1.99% increase for 2025/26 and 2026/27	£29.4m	£13.0m	£13.2m	£55.6m
<u>Possible scenarios:</u>				
<u>Option 1</u>  14.99% increase in 2024/25;  14.99% increase in 2025/26; and 1.99% increase for 2026/27	£73.1m	£80.0m	£16.3m	£169.4m
<u>Option 2</u>  9.99% increase in 2024/25;  9.99% increase in 2025/26; and 1.99% increase in 2026/27	£51.3m	£52.3m	£14.9m	£118.5m
<u>Option 3</u>  14.99% increase in 2024/25;  9.99% increase in 2025/26; and 1.99% in 2026/27	£73.1m	£54.7m	£15.6m	£143.4m



Notes:

1. For 2025/26 and beyond, 2% increases are assumed as there is no confirmation of referendum thresholds for these years
2. Forecast income assumes collection rates and all other factors, including Council Tax Base current forecasts, remain the same (illustrative forecast). To note that the Council Tax Base (i.e. number of Band D homes) has increased by 2% from 2023/24 to 2024/25

The Council is determined to balance the budget by the end of 2025/26. The Council is also aware of the impact of these increases on residents and is seeking to minimise the impact, as far as possible, whilst maximising the benefit. Therefore, this letter seeks permission for an increase of the current referendum limit from 4.99% to 9.99% in both 2024/25 and 2025/26 financial years (Option 2).

The impact of Option 2 on the budget gap is as follows:

	2024/25	2025/26	2026/27
Currently budgeted for additional income from Council Tax per year compared to each prior year, based on existing referendum threshold (and already included in the current budget gap)	£29.4m	£13.0m	£13.2m
Additional Council Tax income – as requested in this letter	£21.8m	£39.4m	£1.7m
<b>Total additional Council Tax income (per year)</b>	<b>£51.3m</b>	<b>£52.3m</b>	<b>£14.9m</b>
<b>Cumulative additional Council Tax income</b>	<b>£21.8m</b>	<b>£61.2m</b>	<b>£62.9m</b>

Note: Forecast income assumes collection rates and all other factors, including Council Tax Base current forecasts, remain the same (illustrative forecast). To note that the Council Tax Base (i.e. number of Band D homes) has increased by 2% from 2023/24 to 2024/25

The additional Council Tax income for 2024/25 would reduce the budget gap, as currently estimated, from £300m down to £278m, prior to savings being applied.



When considering these options, the Council has compared current Council Tax levels against comparable authorities:

Authority	Average Band D Council Tax for 2023/24	Percentage change for the 2023/24 year compared to previous year
Birmingham	£1,630.16	4.99%
<b>West Midlands Combined Authority</b>		
Coventry	£1,909.87	4.94%
Dudley	£1,568.40	4.99%
Sandwell	£1,654.52	4.99%
Solihull	£1,592.74	4.99%
Walsall	£1,985.48	2.99%
Wolverhampton	£1,909.01	4.99%
<b>Core Cities</b>		
Bristol	£1,996.09	4.99%
Leeds	£1,644.93	4.99%
Liverpool	£1,947.97	4.99%
Manchester	£1,618.25	4.99%
Newcastle	£1,919.32	3.99%
Nottingham	£2,052.89	4.99%
Sheffield	£1,840.69	4.99%

Note: items shaded in grey above are the Band D levels that are currently lower than Birmingham's average Band D Council Tax, as of the 2023/24 financial year

It should be noted that, when compared to other West Midlands authorities and Core Cities, BCC's Band D level is significantly below the majority of these authorities.

### Council Tax Support

Any Council Tax increase can put pressure on residents. To offset difficulties for those most in need, BCC currently has a significant Council Tax Support scheme in place. Birmingham has approximately 115,000 households eligible for Council Tax Support, out of a total of 461,000 households within the City.

The scheme in the City allows for 100% rebate for certain groups in households where people (on low incomes) are:

- pensioners;
- entitled to a disability premium or disabled child premium;
- entitled to Employment Support Allowance and who also receives a qualifying disability related benefit;
- receiving a carer's premium;
- receiving a war disablement pension, war widows pension or war widower's pension; or
- caring for a child dependant under 6.



Consequently, around 75,000 households (of the 115,000 entitled to Council Tax support) in the City make no contribution at all to their council tax. The remaining 40,000 households in receipt of Council Tax Support, mainly people of working age (other than those listed above), do make a contribution towards their council tax bills. This is set at 20% in Birmingham, and for 2023/24 equates to (approximately):

- Band A – £1,270 = £254 (£21 per month)
- Band B – £1,482 = £296 (£25 per month)
- Band C – £1,693 = £338 (£28 per month)
- Band D – £1,905 = £381 (£32 per month)

The Council collects around 80% of this contribution 'in-year'.

In light of the proposed Council Tax increase in this letter, the Council will seek to ensure that additional support for tax payers is put in place.

We are proposing to use Section 13A (1) (c) of the Local Government Finance Act 1992 (as amended) to provide additional Council Tax Support for those already in receipt of Council Tax Support (and who currently make a contribution to Council Tax) for the 2024/25 financial year. *[Note: this funding will be automatically credited to those people already in receipt of Council Tax Support.]*

We are then proposing to consult on a new Council Tax Support scheme for the 2025/26 financial year, as this would need a formal consultation period with all households. A full Equalities Impact Assessment would be required on this scheme.

It should be noted that, at this time, it is not possible to formally expand the Council Tax Support for the 2024/25 financial year. Any change would require a full public consultation and would need to be completed in time for the February 2024 Full Council meeting to set the budget for next year – this is not possible at this date. It is not possible to amend the scheme during the financial year either; it would need to be done for the start of the 2025/26 financial year.

In addition, the Council will make available £500k through the Discretionary Hardship Fund for the 2024/25 financial year to help mitigate the impact for residents. Over recent financial years, support provided through this Discretionary Hardship Fund has been around £100k per year.



## Conclusion

These are difficult times for the Council. Every effort is being made to reduce expenditure and find savings. Council taxpayers is the funding source of last resort and the Council is endeavouring to do everything it can to limit the impact on tax payers.

However, in light of the unprecedented financial situation, with due regard for the support that vulnerable residents may need and recognising the relative levels of Council Tax in Birmingham compared to similar authorities, it is proposed to request the permission for an increase of the current referendum limit from 4.99% to 9.99% in both 2024/25 and 2025/26 financial years (Option 2 above).

The detail of this has been considered by the Commissioners who are happy to endorse the Councils request.



**Councillor John Cotton**  
Leader of the Council



**Deborah Cadman**  
Chief Executive



**Max Caller**  
Lead Commissioner



**Councillor Brigid Jones**  
Cabinet Member for  
Finance and Resources



**Fiona Greenway**  
Interim Director of  
Finance (Section 151  
Officer)



**Chris Tambini**  
Finance Commissioner





**Suzanne Clarke**  
**Local Government Finance**  
**Department for Levelling Up, Housing & Communities**  
**2 Marsham Street**  
**SW1P 4DF**

**23 January 2024**

## **Exceptional Financial Support for Birmingham City Council**

Dear Suzanne,

### **Introduction**

1. Further to our letter earlier this month, Ministers will be acutely aware of the challenging financial situation for Birmingham City Council (BCC). Work to address the financial situation continues at pace, working alongside Commissioners to address the current challenges. This letter highlights the financial challenges across the financial years between 2020/21 to 2024/25, and the Exceptional Financial Support (EFS) that the Council is now requesting.
2. The Council is seeking EFS for two reasons:
  - a. To enable the Section 151 Officer, and the Council's External Auditors (Grant Thornton), to consider **signing off all currently unsigned accounts as a going concern** – this request is to cover the provisions for potential Equal Pay liabilities for the unsigned accounts in 2020/21, 2021/22 and 2022/23. Without EFS to cover these Equal Pay liabilities, the Council would not have sufficient reserves to cover the liabilities for those years and would not be a going concern. Further details are in **Section One** of this letter.
  - b. To enable the Council to set a balanced budget for the 2024/25 and 2025/26 financial years – this request aims to cover the potential budget shortfall/gap for 2024/25. This budget gap is the result of the following, further details of which are included in **Section Two** of this letter:
    - i. Extensive budget pressures that cannot fully be covered by the Council's proposed savings plans;
    - ii. Redundancy and pension strain costs, as a direct result of proposed savings plans; and
    - iii. Estimated future costs to settle potential Equal Pay liabilities in future years.



## Section One: Potential Equal Pay Liabilities

3. On 5<sup>th</sup> September 2023, the Council issued a notice under Section 114 (3) of the Local Government Finance Act 1988. This notice outlined the potential cost of new Equal Pay claims (brought about as a result of existing claims of job enrichment and evidence of task and finish practices taking place in some teams). At that point, the Council estimated that the potential liability would be between £650 million and £760 million. The Council does not have sufficient reserves to cover this potential liability.
4. When seeking this EFS request, the Council needs to tackle:
  - a. Historic liabilities – these liabilities need to be correctly calculated for all relevant years in which these potential equal pay liabilities are assumed to be due. The Council believes that this requires a new provision for the accounts for the 2020/21, 2021/22 and 2022/23 financial years (all of which will require sign-off by the Section 151 Officer and subsequently from our External Auditors). As the potential liabilities have been accrued – but are not yet being paid – this is an accounting requirement to ensure that the Council can sign off its accounts and being able to make an affirmative going concern statement.
  - b. Potential future liabilities – the Council will need to include provisions for Equal Pay in all future years until these potential liabilities have been fully paid. In addition, the Council must plan for, and budget for, payments if the potential future liabilities become due.

### Historic liabilities

5. The Council must recognise the potential equal pay liability in the current and previous financial years which has resulted in a negative General Fund Balance (essentially, negative financial reserves). This is an unsustainable financial position for the Council to be in, and as a result the Council is requesting EFS to be recognised for the current and previous financial years in relation to this potential Equal Pay liability.
6. Potential Equal Pay Liabilities are calculated for the Council (General Fund, which includes the Birmingham Children’s Trust, for financial purposes), the Housing Revenue Accounts (HRA) and Dedicated Schools Grant (DSG) and Schools. That is because:
  - a. BCT is wholly owned by BCC such that BCC can be said to have control of those companies. This means that they are likely to be an associated employer of BCC within the meaning of Section 79(9) Equality Act 2010.



b. Regarding employees in council-maintained schools, BCC is their legal employer, and so they can compare themselves with other employees of BCC. Although these groups of staff work at different establishments, they are employed on the same terms and conditions. Therefore, common terms would apply at those establishments meaning that they can make equal pay comparisons by virtue of Section 79(4) Equality Act 2010.

7. Over the last few months, extensive further work has been carried out to test key assumptions and refine the estimates of potential equal pay liabilities. This work has led to an estimate of liabilities for the previous financial years for which the Council deems that existing equal pay provisions need to be restated (and where accounts remain unsigned). Therefore, the Council has calculated a draft Equal Pay liability (to be audited) for the following balance sheet dates, **Table 1** shows:

**Table 1: potential Equal Pay liability (annual amounts)**

Provision by fund and Balance sheet date (showing amounts per annum)	31 March 2021 (£m)	31 March 2022 (£m)	31 March 2023 (£m)	31 March 2025 (£m)	Total (£m)
General Fund	158.3	91.4	121.1	164.0	534.8
Housing Revenue Account	18.1	9.2	8.7	15.8	51.8
DSG & Schools	130.1	18.1	51.1	81.2	280.5
<b>TOTAL</b>	<b>306.5</b>	<b>118.7</b>	<b>180.9</b>	<b>261.0</b>	<b>867.1</b>
Of which:					
<b>Total General Fund, DSG &amp; Schools (annual EFS request each year)</b>	<b>288.4</b>	<b>109.5</b>	<b>172.2</b>	<b>109.5</b>	<b>815.3</b>
<i>Total General Fund, DSG &amp; Schools (cumulative)</i>	288.4	397.9	570.1	815.3	

**Notes:**

- The Balance Sheet dates relate to 31 March 2021 (the closing provision for the 2020/21 accounts), 31 March 2022 (the closing provision for the 2021/22 accounts) and 31 March 2023 (the closing provision for the 2022/23 accounts).
- These estimates of potential equal pay liabilities have been made based on the best assumptions available at the date of this letter.
- These provisions have not yet been audited by the Council's external auditors, Grant Thornton.



- d. *The forecast for the potential Equal Pay liability is carried out until the end of the 2024/25 financial year – the point at which the maximum potential liability is expected to occur. This date is chosen as the date at which the potential equal pay liabilities would stop accruing because a new pay and grading structure is planned to be implemented by 1 April 2025. This forecast would encompass any potential liabilities that are forecast to accrue during 2023/24.*
8. With regard to the treatment of these Equal Pay liabilities across other Council funds, it is vitally important to note that:
- a. DSG and Schools – Charging the DSG and Schools for the Equal Pay liability would create a deficit within the DSG. The Council is looking to explore further conversations with DLUHC and the Secretary of State for Education on funding from another source.
  - b. HRA – the Council **does not intend to seek EFS** for the potential equal pay liabilities that relate to HRA-employed staff. It is proposed that HRA liabilities can be addressed through the use of funds within the HRA, and as such no support is required for these liabilities, details of which will be shared with our Commissioners.

#### Future potential liabilities

9. To estimate future potential liabilities that the Council may face, and payments to be made, this requires an estimate of the potential maximum level of liability.
10. To estimate this, the Council has projected forward to 31 March 2025 to estimate the maximum likely potential equal pay liability. This date is chosen as the date at which the potential equal pay liabilities would stop accruing because a new pay and grading structure is planned to be implemented by 1 April 2025.
11. This new structure aims to end any potential equal pay liabilities by ensuring all staff are on acceptable terms and conditions.
12. The estimate of the potential equal pay liabilities at 31 March 2025 is as **Table 2** shows:



**Table 2: Forecast for total future potential Equal Pay liabilities**

<b>Provision by fund and Balance sheet date</b>	<b>31 March 2025 (£m)</b>
General Fund	534.8
Housing Revenue Account	51.8
DSG & Schools	280.5
<b>Total</b>	<b>867.1</b>
Of which:	
Total General Fund, DSG & Schools	815.3
<b>Total General Fund, DSG &amp; Schools (additional EFS request in addition to the requests up to 31 March 2023)</b>	<b>245.2</b>

**Section Two: To enable the Council to set a balanced budget for the 2024/25 and future financial years**

The Budget Challenge for 2024/25 and 2025/26

13. The Council’s Leadership Team has carried out an in-depth review of all directorates’ budgets to understand where financial pressures exist and how they can be mitigated. This has meant re-basing the budget for the 2023/24 financial year, and this has surfaced a substantial number of fundamental financial management issues which need to be addressed in the 2024/25 financial year.

14. The Council faces a significant budget gap for the 2024/25 financial years. Following a re-base of the budget for the 2023/24 financial year, the following factors have led to this budget gap:

- a. **Budget pressures, including Demand and Complexity Growth** – Growth across Directorates such as: growth pressures against packages of care across adults and childrens social care (both in rising demand and increased complexity); increased demand for temporary accommodation; Oracle programme costs; and forecast equal pay costs; additional staffing costs across social care and to support the Oracle finance system; and expected lost income (mainly from parking and potential asset sales).
- b. **Inflation** – Covering assumed increases for future pay settlements as well as assumptions for growth in care packages, transport and general price inflation. This increase reflects a change to previous forecasts for inflation made during the 2023/24 budget – these have been updated for latest



forecasts. Therefore, general price inflation has been increased in line with Bank of England forecasts (compared to an estimate of 0% for 2024/25, made in the 2023/24 budget) and the cost of social care packages for adults and children has been uplifted from a 0.6% inflation forecast to a 6.7% inflation forecast;

- c. **Savings Write Off** – Savings written off from the 2023/24 and 2024/25 financial years, as outlined in the 12th December Cabinet Report;
- d. **Collection Fund Deficit** – Relating to an underachievement against forecast Council Tax and Business Rates income for the 2022/23 and 2023/24 financial years. Any known and forecast deficit at the time of budget-setting in February is charged to the General Fund for the next financial year. This deficit mainly relates to a significant reduction in forecast business rates mainly as a result of reduced collection rates (partly the result of difficulties with the Oracle system) and higher than expected appeals against business rates (as March 2023 was the last point at which appeals could be lodged against 2017 rates bills). This forecast has been reviewed by an external consultancy to confirm the deficit.

### Savings Programme to Address the Budget Challenge

15. The Council has been focussed on addressing the budget challenge since identification of an in-year budget challenge for the 2023/24 financial year in July 2023. Since then, the Council Executive Management Team, i.e. the Corporate Leadership Team and the Cabinet, have developed a significant savings programme for the 2024/25 and 2025/26 financial years.

The savings programme for the coming financial years has been completely rebuilt, with the whole savings programme being written off from the 2023/24 and 2024/25 financial years. In order to develop this new programme a new approach to savings documentation, management, and delivery has been rebuilt in consultation with Commissioners to form a new programme.

16. The proposed savings programme, and the financial impact of this programme, is laid out below, **Table 3** shows:



**Table 3: Summary of proposed savings programme**

Directorate	2024/25 £000	2025/26 £000
Adult Social Care	25,009	51,961
Children & Families	54,459	65,462
City Housing	6,236	9,436
City Operations	33,898	51,741
PPS	8,365	11,150
SEP	2,447	2,597
Council Management	16,067	22,404
Cross-cutting	1,000	5,207
<b>TOTAL</b>	<b>147,481</b>	<b>219,958</b>

17. This savings programme aims to address the significant budget over a two year period, recognising the substantial one-year budget gap for the 2024/25 financial year. The Council, in the absence of other challenges outlined within this letter, aims to have a self-sufficient balanced revenue budget in the 2025/26 financial year.

18. In order to achieve these significant savings, the Council must have a redundancy scheme to deliver these savings. The costs of this scheme are estimated to be **£100m** (£50m per year) across the 2024/25 and 2025/26 financial years. This is included within the total request for Exceptional Financial Support

19. The net impact of the savings programme on the Council’s budget gap, and as such funding support required, is as follows in **Table 4**:



**Table 4: Estimated 2024/25 Budget Gap**

<b>Council Budget Gap</b>	<b>2024/25 (£m)</b>
Budget Gap	382.6
Savings Proposals	(142.8)
<b>Net Budget Gap</b>	<b>239.8</b>

*Notes:*

1. *This budget gap does not show the impact of additional Council Tax income (above the referendum threshold). The Council’s request for this information has already been sent to the Department.*
2. *The savings proposals shown above relate to the General Fund savings. £4.7m of savings for 2024/25 relate to the Collection Fund (i.e. Business Rates and Council tax income forecasts) which are already factored into the budget gap at the top of this table*

20. The Council recognises the need for a balanced budget for the 2025/26 financial year. **At present, there is a budget gap forecast for the 2025/26 financial year and the Council is developing a range of proposals to mitigate this budget gap. Therefore, this EFS request does not include a request to support a budget gap for 2025/26.**

21. The Council has undertaken a thorough review of reserves, as part of the 2024/25 budget-setting process. This has resulted in:

- a. Increasing General Fund Balances (unearmarked reserve) to be 5% of the net expenditure budget for the Council for the 2024/25 financial year. This reserve is forecast to be £56m at the start of the 2024/25 financial year
- b. Centralising directorate reserves (except for those with specific (contractual) earmarks) into a new “Strategic Reserve” which will also be unearmarked. For the 2024/25 financial year the Strategic Reserve is forecast to be £127.1m at the start of the 2024/25 financial year.



## EFS Request

22.EFS is being formally requested as the Council currently cannot:

- a. **Present a budget to Council for the 2024/25 and 2025/26 financial years**, as the current funding envelope would mean that the budget presented would have an in-year deficit for these financial years;
- b. **Write a Section 25 Statement under the Local Government Act 2003**, written by the Section 151 Officer, due to inadequate reserves to cover all potential liabilities owed by the Council which are recognised within its accounts;
- c. **Close prior year accounts** currently in draft with External Auditor Grant Thornton for the 2019/20, 2020/21, and 2021/22 financial years due to the Section 151 Officer being unable to write an adequate going concern statement;
- d. **Present draft accounts for the 2022/23 financial year** to the External Auditor Grant Thornton, as the Section 151 Officer cannot write an adequate going concern statement.

23.As such, Council is requesting EFS in the form of a capitalisation of revenue spend and liabilities across the financial years from 2020/21 to 2025/26, **Table 5** shows:

**Table 5 – Summary of EFS request (amount for each financial year)**

<b>EFS Request</b>	<b>2020/21 (£m)</b>	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>2023/24 (£m)</b>	<b>2024/25 (£m)</b>	<b>2025/26 (£m)</b>	<b>Total (£m)</b>
Budget Gap	0.0	0.0	0.0	0.0	239.8	0.0	239.8
Redundancy Costs	0.0	0.0	0.0	0.0	50.0	50.0	100.0
Potential Equal Pay Liability (taken from Table 1)	288.4	109.5	172.2	0.0	245.2	-	815.3
EFS Contingency	0.0	0.0	0.0	0.0	100.0	0.0	100.0
<b>TOTAL</b>	<b>288.4</b>	<b>109.5</b>	<b>172.2</b>	<b>0.0</b>	<b>635.0</b>	<b>50.0</b>	<b>1,255.1</b>



Notes:

1. *The forecast for the potential Equal Pay liability is carried out until the end of the 2024/25 financial year – the point at which the maximum potential liability is expected to occur. This date is chosen as the date at which the potential equal pay liabilities would stop accruing because a new pay and grading structure is planned to be implemented by 1 April 2025. This forecast would encompass any potential liabilities that are forecast to accrue during 2023/24.*
2. *An EFS Contingency of value £100m has been included within the total request to support delivery of the extensive savings programme in 2024/25 and to enable transformative savings in 2025/26. This also includes a contingency for potential inherent risks that we may find in the budget as we move through 2024/25.*

24. The Council intends to fund the request for EFS request substantially through the use of capital receipts from asset sales, for which there is a programme of sales totalling £500m by the end of the 2024/25 financial year. This programme will continue in years two and three with target capital receipts in each of these years to be agreed with Commissioners.

25. Further, the Council intends to explore mitigations to address the overall value of potential Equal Pay liabilities through the use of settlement schemes. The overall budget shortfall and when redundancy liabilities fall due will also vary the total value of this request, and the Council will mitigate as best as possible these pressures as they materialise.

26. This is the total capitalisation request, which is looking to be mitigated through capital asset sales, use of capital receipts, mitigations of liabilities, and addressing the budget gap through a substantial savings programme. However, the Council requires this support in order to address the need to set a balanced budget for 2024/25, close prior year accounts, and continue with the financial recovery which has commenced in the Council.

27. As part of this capitalisation request, the Council is looking to explore further conversations with DLUHC and the Secretary of State for Education on funding from another source.

## Conclusion

28. These are challenging time for the Council. Every effort is being made to address the significant financial challenges. The Council is currently unable to deliver key



statutory requirements in relation to financial management due to insufficient funding to allow the presentation of a balanced budget for the 2024/25 financial year and address significant liabilities identified in prior years.

29. In light of this situation, the Council is requesting EFS in the form of capitalisation for the 2019/20 to 2025/26 financial years, as laid out in Table 5 above, of a total value of £1,255.1m.

30. The detail of this has been considered alongside Commissioners who endorse the Council's request.



**Councillor John Cotton**

Leader of the Council



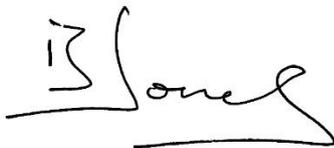
**Deborah Cadman**

Chief Executive



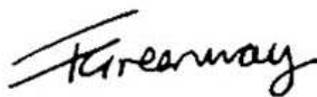
**Max Caller**

Lead Commissioner



**Councillor Brigid Jones**

Cabinet Member for  
Finance and Resources



**Fiona Greenway**

Interim Director of  
Finance (Section 151  
Officer)



**Chris Tambini**

Finance Commissioner





# Birmingham City Council

## Report to Cabinet

27 February 2024



**Subject: Response to Budget Scrutiny Task & Finish Group**

### Commissioner Review

- 1.1 The Council is in an extremely serious financial position as a result of the past decisions it has taken, both in deciding to take specific actions and failing to recognise and take proper corrective action. All local authorities are facing significant pressure in service delivery costs and the failures of the past have eroded the Council's room for manoeuvre. There is a narrow path to financial sustainability that will require both discipline and pace from both Members and Officers.
- 1.2 The Commissioners believe this budget is deliverable. However, to do so will require major improvements in the arrangements for the delivery of savings. This includes governance, monitoring and project management arrangements and also a change in organisational culture where successful delivery of change and savings is valued and problems overcome rather than hidden. There is also a real need to ensure Council recruits, retains and invests in people with the right skills and knowledge to undertake this work. The Council has made limited progress in this area and needs to do far more and at a far greater pace.
- 1.3 The same rigour must be applied to both the Oracle and Job Evaluation programmes. This budget is clearly dependent on the successful delivery of both these programmes. The mistakes of the previous projects cannot be repeated.
- 1.4 The Council has received £1.255bn in Exceptional Financial Support (EFS) from Government. For the avoidance of doubt EFS is really nothing more than a loan from government that must be paid back through asset sales. There are conditions for this loan that mirror the concerns raised above around savings delivery.
- 1.5 The narrow path to financial sustainability is dependent on the revenue budget being balanced within two years. This means that over this period revenue savings of £293m [Note: £226m existing savings programme + £67m budget deficit for 25/26, as per budget report] must be made, of which £226m are set out in this budget. If this cannot be delivered the Commissioners have serious concerns that the Council asset base will not be large enough to support a further request for EFS with a consequent major impact on services.
- 1.6 As well as delivering this budget effectively, the Council needs to start work on the 2025/26 budget immediately by identifying and starting to implement savings to

address the overall budget gap. The Commissioners believe a far higher proportion of savings in this second year can be generated through efficiencies. This will require a far more considered approach to identification of savings and major changes to how the Council operates. These proposals need to be shaped by a coherent vision of what the smaller, more effective, Birmingham City Council will offer its citizens and businesses and how it will lead the place.

- 1.7 Now the real work of delivery needs to take place with discipline and pace. There are no other choices available.

# Birmingham City Council

## Report to Cabinet

27 February 2024



**Subject:** Response to Budget Scrutiny Task & Finish Group

**Report of:** Leader, Councillor John Cotton

**Relevant Cabinet Member:** Leader, Councillor John Cotton  
Cabinet Member for Finance & Resources, Councillor Brigid Jones

**Relevant O&S Chair(s):** Chair of Coordinating Overview & Scrutiny, Councillor Sir Albert Bore  
Chair of Finance & Resources Overview & Scrutiny, Councillor Jack Deakin

**Report author:** Fiona Greenway, Director of Finance and Section 151 Officer

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential: N/A		

### 1. Executive Summary

- 1.1 This report responds to the work completed by the Budget Scrutiny Task & Finish Group, and the report of the same name (Budget Scrutiny Task & Finish Group Report) which was presented to Finance & Resources Overview and Scrutiny Committee in January 2024 (Appendix 1 refers).

1.2 This work was completed between November 2023 and January 2024, and over this period a cross section of Members from political parties challenged key elements of the live budget process. This facilitated openness and transparency in the budget process for Members, providing an additional level of credibility to the presented 2024/25 budget.

## **2. Recommendation(s)**

2.1 Cabinet is recommended to:

- a) Note the Response to Budget Scrutiny Task & Finish Group, specifically the responses outlined at Appendix 2, and agrees to take in to account the recommendations in consideration of the draft 2024/25 budget.

## **3. Background**

3.1 The recommendations created in the Task & Finish Group can be found at Appendix 1. The proposed response to each of the recommendations can be found at Appendix 2 of this report.

3.2 Cabinet acknowledges the value added to the 2024/25 budget setting process by the Budget Scrutiny Task & Finish Group.

## **4. Public Consultation and Engagement**

4.1 This report has been written in consultation with Statutory Officers, Commissioners, and the Leader, Deputy Leader, and Cabinet Member for Finance & Resources.

4.2 The 2024/25 budget will be subject to legal advice and guidance regarding the Council's legal duties including on the duty to consult on individual savings proposals and other statutory obligations under the Equality Act 2010.

## **5. Risk Management**

5.1 Risks and mitigations will be considered within the proposals put forward for the 2024/25 budget report.

## **6. Compliance issues**

- 6.1 **How are the recommended decisions consistent with the City Council's priorities, plans and strategies?** This report supports the budget presented for the 2024/25 financial year.
- 6.2 **Legal Implications:** There are no specific legal implications for this report. All matters contained within the recommendations which have a legal consideration have been addressed in specific savings Delivery Plans.
- 6.3 **Financial Implications:** There are no specific financial implications for this report. All matters contained within the recommendations which have a financial implication have been addressed in specific savings Delivery Plans.
- 6.4 **Public Sector Equality Duty:** The Council will ensure that all actions taken in response to these recommendations are in line with the Public Sector Equality Duty.

## **7. Appendices**

- 7.1 Appendix 1 – Budget Scrutiny Task and Finish Group Recommendations
- 7.2 Appendix 2 – Budget Scrutiny Task and Finish Group Recommendations - Responses



# Birmingham City Council

## Finance and Resources Overview and Scrutiny Committee

24 January 2024



**Subject:** Budget Scrutiny Task and Finish Group Report  
**Report of:** Cllr. Sir Albert Bore  
**Report author:** Fiona Bottrill, Senior Overview and Scrutiny Manager  
[fiona.bottrill@birmingham.gov.uk](mailto:fiona.bottrill@birmingham.gov.uk)  
 07395 884487

Does the report contain confidential or exempt information?  Yes  No

If relevant, provide exempt information paragraph number or reason if confidential:

Recommended that members of the press and public be excluded from the meeting for this report under Section 100A(4) of the Local Government Act 1972 on the grounds that:

- (i) it involves the likely disclosure of exempt information as defined in paragraphs 3, 4 and 5 of Part 1 of Schedule 12A of the Act; and
- (ii) the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### 1 Purpose

- 1.1 This report sets out the work undertaken by the Budget Scrutiny Task and Finish Group and the recommendations agreed for consideration by the Finance and Resources OSC.
- 1.2 The work undertaken and presented in this report was carried out in good faith and in no way should be considered as an endorsement of the budget or any specific options by members of the T&F Group, individually or collectively.

## 2 Late Report

- 2.1 To be completed for all late reports, i.e. which cannot be despatched with the agenda papers i.e. 5 clear working days' notice before meeting.

Reasons for Urgency / why late	<p>The report has been produced following a series of Task and Finish Group meetings that ended on the 10 January. It was agreed that the report would be marked to follow when the agenda is published to allow time for the appropriate approval processes.</p> <p>The recommendations agreed by the Finance and Resources OSC will be included in the Budget Report to Cabinet on 13 February and it is therefore not an option to include the report at the February meeting of the Finance and Resources OSC.</p>
Date Finance and Resources OSC Chair's Agreement	18 January 2024

## 3 Recommendations

- 3.1 That the Committee considers the following recommendations to be reported to Cabinet and for the response to be reported to City Council when agreeing the 2024/25 and 2025/26 Budget.

### General Matters

- 3.2 All savings must have clear Delivery Plans, with arrangements to hold budget holders across the organisation at different levels accountable to the delivery of savings and with a Cabinet Member assigned against each saving. Key milestones towards the delivery of the savings should be included, along with risk mitigation, and governance measures including consultation requirements, VR / CR requirements and service impact. Measures for monitoring and reporting to O&S Committees must be put in place.
- 3.3 The delivery Plans should also set out clearly where the saving type is identified as efficiency, what systems / processes will be put in place to deliver the efficiencies without reducing the level of services.
- 3.4 The Budget report to Cabinet and City Council will identify the savings proposals that will be subject to statutory consultation and assurance is

needed that these will comply with legal requirements. This needs to be reflected in the timescales for delivery of the savings.

- 3.5 Assurance and legal advice are needed that the budget consultation, including consultation with residents of Birmingham and others, regarding the Council Tax rate will comply with legal requirements and will be both digital and non-digital.
- 3.6 There should be clear communication on redundancy processes including training for managers to ensure a fair and consistent approach to implementing redundancies.
- 3.7 There should be clear policy on long term vacant posts – how these are declared and process to decide to retain vacant post / recruit / take as saving.
- 3.8 A review of the Council Corporate Risk register is undertaken following agreement of budget and MTFP at the February meeting of the City Council, with a senior officer and Cabinet Member assigned to each risk to ensure ownership of these risks.
- 3.9 An impact assessment of the savings proposals on the community and voluntary sector is undertaken to assess the cumulative impact for communities in Birmingham.
- 3.10 Each OSC receives a report following the approval of the Budget and MTFP on the implications of the budget and savings on the services within their terms of reference. In future years, an impact assessment of proposals should be reported to scrutiny in advance of the approval of the budget.
- 3.11 Each OSC to receive a report every two months during the 2024/2025 financial year to update the Committee on the delivery of savings and service implications.
- 3.12 An Equality Impact Assessment is undertaken on the combined impact of savings on vulnerable groups and those with protected characteristics, and in future years shared with elected members prior to the Budget meeting of the Council.
- 3.13 In the budget presented to Council, there should be details of the use of short-term grant funding (e.g., Public Health, CAZ and UKSPF) to reduce the budget gap to inform Elected Members of whether a 'cliff edge' scenario is an issue in 2 or 3 years.
- 3.14 A review of contracts and contract management is undertaken to ensure that the council achieves best value from contracts and that contracts are renegotiated where necessary, particularly where several contracts are held across different services / directorates with the same provider. This work needs to ensure a complete, transparent and accurate contract register is produced, including details relating to when re-procurements

need to commence and with contract start and end dates. As required by the Local Government Transparency Code, the relevant information should be published.

- 3.15 A multitude of income generation opportunities should be explored, e.g., dropped kerbs (see 3.40), lane rental (see 3.41), commercial events, Shelforce, debt collection, hotel tax (see 3.50), increase use of direct debits – if residents are already using Direct Debits for some services they are more likely to take up for other services (see 3.53).

## **Place, Prosperity & Sustainability**

During the preparation of this report, it was announced that the Strategic Director of Place, Prosperity & Sustainability would be leaving BCC at the end of March 2024. This amplifies the concerns that members expressed about the delivery of a number of the savings in the directorate.

- 3.16 Savings Proposal 106: Service Re-design and Restructure (2024/25 £4.365m and 2025/26 £5.325m). As Members were concerned about the level of risk given the scale of the savings to be delivered, the delivery plan for this saving should not only set out a timetable for the restructure of the directorate but also the impact on services of this restructure. Also, assurances are needed that there will be capability and capacity following the restructure to deliver asset sales in the timescales required.
- 3.17 Savings Proposal 107: Reduction in Central Administrative Buildings (CAB) Premises. The Savings Risk identified is high. Consideration should be given to maximising the use of the Council House and the Council House Extension as a location for staff. The implementation of these savings should consider Savings Proposal 193: Transformation of NAIS and Community Libraries which, if implemented, will reduce the number of community libraries.
- 3.18 Where services vacate a building prior to sale, the financial implications of ensuring safety and security of the building must be considered.
- 3.19 Where a leased building is sold, the loss of income because of the asset sale must be reflected in the budget.
- 3.20 Elected Members should be informed of / consulted on sale of assets within their ward prior to public announcement.
- 3.21 Savings Proposal 109: Income Generation. Again, the Savings Risk is high. Additional income could be generated by charging developers for advice before the pre-application process.
- 3.22 Savings Proposal 214: Corporate Landlord Operational Property Savings. Consideration should be given to bringing forward some of these savings into 2024/25.

## **Adult Social Care**

Although assurances have been provided that Adult Care Services are compliant with the Care Act, several concerns remain.

- 3.23 Savings Proposal 126: Review of Care Centre Model. There should be clear criteria to determine which Care Centres will be closed including the weighting given to service user needs and property value / condition.
- 3.24 Savings Proposal 130: Review of the Day Centre Model. It should be clear whether these decisions will be based on value / condition of property or service user needs and how the criteria will be balanced.
- 3.25 Savings Proposal 193: Transformation of NAIS and Community Libraries. As there is a concern that the closure of library buildings will limit the future opportunity to relocate services to library buildings, the Delivery Risk identified for this saving is low and does not reflect the challenges of judicial review and / or trade union action that may emerge.

## **Children & Families**

- 3.26 Savings Proposals 89 and 90: Services for Young People and Commissioning of Early Help Contracts. There is a risk of judicial review and / or trade union action which could delay delivery. There needs to be an assessment of the costs to the Council of any such delay.
- 3.27 Assurance is required that savings proposals on Services for Young People and Commissioning of Early Help Contracts have taken full account of the Council's statutory duty under Section 68b of the Education & Skills Act 2008; Section 507b of the Education Act 1996; duties under the Crime and Disorder Reduction Act, Serious Youth Violence Duty; Equality Act 2010; Human Rights Act 1998, and Children's Act 2000, and in full cognisance of its safeguarding responsibilities and duty to safeguard and promote the welfare of children and young people.
- 3.28 Assurance is required that the loss in income from Youth Centres and including that generated by the youth service and through external funding has been considered.
- 3.29 A full stakeholder assessment is required given the significant implications to statutory partners including police, youth justice and NHS (especially mental health services), education sector and the voluntary sector.
- 3.30 Further to the above, assurances are needed that these savings proposals align with broader policy goals, and strategies and priorities for children and young people, both locally and nationally, regarding youth services and knife crime prevention.

- 3.31 Assurances are required that other funding options have been explored for youth services particularly from Public Health.
- 3.32 Also, assurances are required that the impact of cutting these services on the demand for other statutory provision has been assessed within the Directorate and BCT – given Savings Proposals 185: Reduction of BCT contract and Savings Proposal 219: Children’s Services efficiencies.
- 3.33 Full and proper consultation must be undertaken given that Savings Proposals 89 and 90 will likely disproportionately impact young people from global majority communities, those from low-income families and those who are already excluded – i.e., disabled and marginalised children and young people.
- 3.34 Equality Impact Assessments must be undertaken given that the savings proposals will be likely to disproportionately impact children and families who are already disadvantaged.
- 3.35 Savings Proposal 93: Children’s Travel Contracts. An assurance is required that the re-procurement of these contracts will be completed in time to deliver savings from April 2024 and that there is provider capacity to deliver the service, and whether the anticipated contract price takes into account past increases in fuel costs and inflation. Furthermore, the Delivery Risk of 4 is low.
- 3.36 In Proposals 146, 147, 148,149 and 150 relating to the Children & Young People Travel Service, there is a risk of judicial review or trade union action which could delay delivery of savings. There must be full and proper consultation with parents and service users before implementation of change and an assessment of the costs to the Council of any such delay.
- 3.37 Regarding Savings Proposal 150: Review of Non-Statutory Transport Packages, consideration must be given to the disruption that will be experienced by some 16–18-year-old young people for 2 years, some of whom may have SEND needs.

### **City Operations – Highways**

- 3.38 Savings Proposal 14: School Crossing Patrols (Non-Statutory service) is delivered through CAZ Funding for 3 years. Assurance is required that this service will meet the requirements of the CAZ funding and that a memorandum of understanding / grant agreement confirm the outcomes required, monitoring arrangements and exit strategy.
- 3.39 Savings Proposal 15: Local Engineering (Non-Statutory Service) amends the delivery model. The new delivery model must retain the function currently provided by the Local Engineer role to liaise with Elected Members to respond to ward issues.

- 3.40 Savings Proposal 16: Dropped kerbs. Contrary to the view from Highways, the Task & Finish Group was of the view that additional income could be generated through enforcement of illegal dropped kerbs and damage to pavements because of house renovations / building work. Also, enforcement on these issues would reduce the risk of insurance claims against the Council. Further consideration of these matters would be welcomed.
- 3.41 Consideration should be given to income generation from Lane Rental as part of the Streetworks Permitting Scheme following the one-year review.
- 3.42 Savings Proposal 19: Reduction in PFI Management Budget. Further consideration may need to be given to this proposal following the outcome of the Council's Judicial Review challenge.

### **City Operations – Community Safety**

- 3.43 Savings Proposal 49: Amend Community Safety Team. Concerns from partners should be included in the Council's Risk Register.

### **City Operations – Neighbourhoods**

- 3.44 Savings Proposal 52: Increase Leisure Fees by 5%. Consideration should be given to the cumulative impact of increased costs for residents, added to with the Cross Cutting Savings Proposal 228: Fees and Charges – further Savings which propose a minimum increase in fees of 10%. An increase in charges above 5% may prevent people from using the service, which may have implications for health and wellbeing, or choosing to use services beyond Birmingham.
- 3.45 Savings Proposal 56: Reduction of grant to The Active Wellbeing Society (TAWS). Consideration should be given to the capacity of TAWS to deliver on a reduced grant and their ability to take on facilities that BCC can no longer afford to operate.
- 3.46 Savings Proposal 61: Cultural Organisation Grant Reductions. The implications of grant cuts to BMusic and the long-term viability of Symphony Hall and Town Hall should be considered by the Group Company Governance committee.
- 3.47 Savings Proposal 62: Cease Funding for Cultural Projects. Consideration should be given to seeking sponsorship from the private sector.
- 3.48 Savings Proposals 64, 67, 69 and 168. Following the extensive reductions in services focussed on neighbourhood / ward support, remaining neighbourhood / ward funding within directorates should be identified to Elected Members to ensure that the funding available is addressing ward priorities.

- 3.49 Savings Proposal 70: Changes to Business Improvement District Service (BIDs). There should be ongoing engagement with partners to understand the implications of savings proposals for BIDs both in the City Centre and smaller BIDs beyond the City Centre, to ensure their viability going forward and that the city retains the added value benefits that BIDs provide. Consideration should also be given to the implications for the development of new BIDs.
- 3.50 The Council should again explore the implementation of a hotel tax for the City Centre in partnership with the BIDs.
- 3.51 Savings Proposal 163: Increase Public Health Funding of Wellbeing Leisure Centres. Members should be kept informed of changes in services in their wards.
- 3.52 Savings Proposal 169: Cease Sport Development Function. Consideration should be given to longer-term opportunities to introduce community facilities and upgrades.

#### **City Operations – Street Scene**

- 3.53 Savings Proposal 26: Additional Garden Waste Income and Fee Increase. Residents who currently use Direct Debits to pay council tax and who use the additional garden waste service should be offered the option to pay by Direct Debit.
- 3.54 Savings Proposal 29: Move to fortnightly residual waste (non-recyclable) collections and amend early starts. Consideration should be given to bringing forward some savings to 2024/25 and whether there are additional savings that can be identified as part of the Waste Transformation Programme during 2025/26.
- 3.55 As part of the re-design of waste services, greater use of the current vehicle fleet should be explored in the scheduling of collections – e.g., 2 rounds a day. The re-design should also consider service standards and compensation for missed garden waste collections. Currently compensation is paid if collections are missed on 3 consecutive weeks, but not 3 missed collections across the Spring – Winter period.
- 3.56 Savings Proposal 30: Cease Bank Holiday collection. Consideration should be given to the implications when fortnightly collections are introduced which could result possibly in a month between residual waste collections.
- 3.57 Savings Proposal 31: Introduce charging for car parking in parks. Consideration should be given to other measure that may be required, e.g., introducing double yellow lines in road near parks and the implications this would have on costs and timescales.

## **City Operations – Regulation & Enforcement**

- 3.58 Savings Proposal 24: Pest control – new charge for domestic rat treatments. Consideration should be given to enabling households to share the cost of rat treatments.
- 3.59 Savings Proposal 48: Review income from registration of Marriages. Consideration should be given to income generation through merchandise sales within the Registrars Service.

## **Council Management – Digital**

- 3.60 Savings Proposal 103: Voice Automation within Contact Centre Services. The introduction of digitalisation / voice automation should be a priority but not through forced channel shift, with opportunities identified in other directorates to increase savings.
- 3.61 Savings Proposal 175: 5G Small Cells and LoRoWAN. The income from this proposal should be benchmarked against other authorities and work taken forward with the West Midlands Combined Authority to maximise income from 5G. Assurance is needed that the income includes any costs of testing the structural integrity of the lamp posts.
- 3.62 Savings Proposal 215: Business Improvement & Support Consolidation. Consideration should be given to bringing some of these savings forward to 2024/25 and ensuring the workload for staff is deliverable.

## **City Housing**

- 3.63 Recommendation 220: HRA Review and joined up locality working between Housing and City Operations. Consideration should be given to identifying further savings through efficiencies resulting from joined up working between Housing, Highways and Transport that would take out current duplication in service delivery. Members noted the risk rating of 10 which should be reduced as a result of effective working across the Corporate Leadership Team.
- 3.64 Recommendation 226: HRA Investments and Valuations Team – Municipal Shops. The suggested review was not considered as far-reaching as it could be, as numerous municipal shop precincts have a mixture of tenures and should be considered as opportunities for asset sale and redevelopment.

## **Council Management – Legal and Governance**

- 3.65 Savings Proposal 145: Legal Services – Scrutiny, Regulatory, Executive and Council arrangements. The number of O & S Committees will be reduced from 8 to 7 with an ensuing SRA saving. Regulatory, Executive and Council arrangements and saving proposals will need to be formulated in the Cabinet response to these recommendations.

### **Cross Cutting**

- 3.66 The Task and Finish Group was disappointed that work had not started earlier in the year when the budget gap was identified to develop proposals that would deliver greater cross cutting savings. A target should be set of £2m cross cutting savings to be delivered across 2024/25 and £5m (aggregate) across 2025/26 – figures arrived at following consultation appropriate officers.
- 3.67 The Organisational Redesign work to reshape the Council's services around citizens within available resources should include the development of a workforce that is flexible and roles that can respond to current pressures. Members were concerned that the savings proposals across the Council that will reduce the workforce before this re-design work is undertaken may result in key skills being lost from the organisation.
- 3.68 The Organisational Redesign should review the duplication of services / teams across and within directorates and rationalise these based business need where this will result in savings.

### **Public Health**

- 3.69 Assurance is needed that an analysis of the savings funded through the Public Health Ring Fenced Grant are a public health priority for the City and meet the priorities of the Joint Strategic Needs Assessment and / or the Health and Wellbeing Strategy.
- 3.70 The Memorandums of Understanding that are agreed for the use of the Ring-Fenced Public Health Grant for savings set out clear outcomes and robust arrangements must be in place to monitor and report these to ensure that evidence of outcomes is reported to OHID, to ensure the risk of funding having to be re-paid is reduced.
- 3.71 The risk of being required to repay the Ring-Fenced Public Health Grant used for savings must be included in the Council's Risk Register and a senior officer and Cabinet Member assigned to each risk.

## **4 Background**

- 4.1 The Budget Scrutiny Task and Finish Group was established in November 2023 to consider the following questions:

- How will the Council close the in-year budget gap during 2023/24?
- How can Scrutiny contribute to the development of the Budget proposals for 2024/25 and financial plans for the following years?
- What comments / recommendations does the Task and Finish Group want to report to Cabinet when the 2024/25 budget proposals are considered?

4.2 The members of the Task and Finish Group were: Cllr. Albert Bore, Cllr. Jack Deakin, Cllr. Kerry Jenkins, Cllr. Mick Brown, Cllr. Katherine Iroh, Cllr. Lee Marsham, Cllr. Shabrana Hussain, Cllr. Mohammed Idrees, Cllr. Robert Alden, Cllr. Alex Yip, Cllr. Paul Tilsley,

4.3 The terms of reference for the Task and Finish Group are available from [Document.ashx \(cmis.uk.com\)](#). The Task and Finish Group met 7 times during November – January and at the end of this process members agreed the recommendations set out in Section 3 of this report. The work of the Task and Finish Group provided a forum for robust challenge and benefited from the organisational knowledge members had of previous strategies, policies and programmes when many senior officers are relatively new to the organisation.

4.4 Following the initial Task and Finish Group meeting on 20 November 2023 it was agreed that the focus on the work for the Task and Finish Group would be on the savings proposals that were being developed as part of the 2024/25 and 2025/26 budget. The rationale for this focus was that the emergency budget that had been planned was not being taken forward given the scale of savings required across 2024/25 and 2025/26 that had increased to £300m, and that the failure to meet savings targets in 2022/23 and 2023/24 has been a significant factor in the present budget gap and reserves position. Importantly, it was also noted by the Task and Finish Group that the £300m savings required was in addition to the potential Equal Pay liability estimated to be between £650-760m and both this potential liability and the cost of redundancies resulting from savings would need to be covered by sale of assets and prudential borrowing would require a capitalisation agreement with the Government.

4.5 The context within which the 2024/25 and 2025/26 budgets proposals were being prepared were set out in the Section 151 Officer Update on the Financial Position of the Council to Cabinet on 12 December (available from [Document.ashx \(cmis.uk.com\)](#)). This set out that:

As outlined within the Section 114 subsection 3 notice issued under the Local Government Finance Act 1988 on 5th September 2023, the Council is facing a challenging financial situation. The Council has insufficient resources to meet the expenditure required in relation to the costs of providing for Equal Pay claims.

As a result of our current situation, the Section 151 Officer is unable to write a supporting going concern statement for prior year draft accounts for 2020/21 and 2021/22. She is also unable to make a Section 25 statement under the Local Government Act 2003 in relation to the robustness of estimates and adequacy of reserves.

As reports on 25th July 2023, Cabinet was advised of a forecast General Fund overspend against budget of £87.4m. Due to confirmed non-delivery of savings in the current year, 2023/24, there is a total of £39.9m being effectively written off. In addition, due to a lack of expediency in delivery of new savings to address this in-year budget gap, the Council is left with little option but to address the overspend through the use of one-offs. This further deteriorates the medium term financial stability of Council finances, by depleting reserves.

At the time of writing this report, the current two year savings target for the Council is circa £300m following a re-basing exercise of the 2023/24 budget.

Given the position on non-delivery of savings in-year, the only option left to the Council is to address the in-year financial position through the one-off use of reserves. This, by its very nature, has a direct impact on resolving the 2024/25 budget and undermines one of the fundamental core elements of the Section 25 statement on adequacy of reserves.

With a savings programme which has historically underdelivered, this means that the Council is building a new savings programme from a standing start. Every effort must be made to commence delivery of savings as soon as possible.

The Council is currently in a position where it is unable to set a lawfully balanced budget, and as such further consultation is now required with the Department of Levelling Up, Housing and Communities (DLUHC) to explore additional Exceptional Financial Support (EFS) to enable the setting of a balanced budget for 2024/25.

The precise value of a 'minded to' capitalisation from DLUHC is to be confirmed later in the budget setting process following assurance of the savings programme. This would need to be large enough to cover provisions for Equal Pay, capitalisation costs involved in a redundancy scheme, and the forecast budget deficit 2024/25. The precise amount that will actually be capitalised will only be determined at yearend such that if the Council overdelivers then the capitalisation value will reduce.

- 4.6 The Section 151 Officer attended all the Task and Finish Group meetings and updated members as the budget proposals progressed. Members were informed that the Financial Planning Team had re-based the 2023/34 budget that included key assumptions on inflation, pressures / growth, savings and use of reserves. That Task and Finish Group was also informed of the due diligence process carried out on all the saving proposals.
- 4.7 Senior Officers attended the Task and Finish Group meetings to present the savings proposals for their Directorates, updating members as these developed and responding to written questions.
- 4.8 The Task and Finish Group was updated on the Capital Programme that had been reviewed to reduce borrowing and therefore reduce the Council's debt by £100m, the HR process in relation to Voluntary and Compulsory Redundancies and the public consultation process on the budget and council tax rate.

## **5 Any Finance Implications**

- 5.1 The recommendations from the Budget Scrutiny Task Group Report present several financial implications for Birmingham City Council. It is imperative to establish robust processes for monitoring, reviewing, and governing these savings proposals to ensure their effective implementation and alignment with the Council's financial objectives.
- 5.2 The Council will implement a monitoring system to regularly track the progress of each savings proposal. This system will include quantitative measures and qualitative assessments such as service delivery impacts. Regular reports will be provided to the relevant oversight committees, ensuring transparency and accountability in the savings process. A clear governance structure will be established to oversee the implementation of the savings proposals and is currently in development. This structure will involve various levels of the Council, including Directorate boards, Transformation and Improvement Board (incorporating CLT), Cabinet member briefings, EMT, Overview and Scrutiny, and Commissioners at the Improvement and Recovery Board. Regular updates on the progress and impacts of the savings proposals will be communicated and feedback mechanisms will be established to gather input and address concerns from each of these parties, ensuring a transparent process. Each saving proposal will be assigned a Responsible Delivery Lead and Senior Accountable Officer to ensure ownership and accountability. In cases where savings proposals are not on track or are having unintended negative impacts, the Council will implement mitigation strategies. These may include reallocating resources, adjusting timelines, or revising the scope of the proposals. The Council will maintain flexibility to respond to

challenges and ensure financial stability and service quality are not compromised.

- 5.3 The financial implications of the Budget Scrutiny Task Group Report extend beyond the immediate budgetary effects which are considered within the budget setting process and as part of specific savings proposals. They encompass a commitment to rigorous monitoring, periodic review, strong governance, proactive mitigation measures, and effective communication. These processes will ensure that the savings proposals are effectively managed and aligned with the broader financial strategy of Birmingham City Council, thereby supporting the Council's commitment to fiscal responsibility and sustainable service delivery.

## **6 Any Legal Implications**

- 6.1 The Local Government Finance Act 1992 requires the Council to set a budget and Council Tax precept by 11th March each year.

## **7 Any Equalities Implications**

- 7.1 The Task and Finish Group have identified issues where equality impact assessments should be undertaken to understand and mitigate the equalities implications of the budget savings proposals.

## **8 Appendices**

- 8.1 None

## **9 Background Papers**

- 9.1 Finance and Resources OSC November Document.ashx (cmis.uk.com):Budget Scrutiny Task and Finish Group Terms of Reference
- 9.2 Section 151 Officer Update on the Financial Position of the Council to Cabinet on 12 December (available from Document.ashx (cmis.uk.com))

## **Appendix 2 - Budget Scrutiny Task and Finish Group Recommendations – Responses**

Saving titles are as at the dates of the Budget Scrutiny Task & Finish Group sessions and as such some savings titles may have since been refined.

<b>Item</b>	<b>Saving Number</b>	<b>Saving Title</b>	<b>Directorate</b>	<b>Recommendations</b>	<b>Response</b>
<b>1</b>	<b>All</b>	<b>N/A</b>	<b>All</b>	All savings must have clear Delivery Plans, with arrangements to hold budget holders across the organisation at different levels accountable to the delivery of savings and with a Cabinet Member assigned against each saving. Key milestones towards the delivery of the savings should be included, along with risk mitigation, and governance measures including consultation requirements, VR / CR requirements and service impact. Measures for monitoring and reporting to O&S Committees must be put in place.	Agreed. Delivery Plans have been created for each saving proposal. These include details of the Senior Accountable Officer, the Key Milestones and Risk Management Plan.
<b>2</b>	<b>All</b>	<b>N/A</b>	<b>All</b>	The Delivery Plans should also set out clearly where the saving type is identified as efficiency, what systems / processes will be put in place to deliver the efficiencies without reducing the level of services.	Agreed. Delivery Plans have been created for each saving proposal. These include details of the Key Milestones, the Objectives and Deliverables as well as the Dependencies and any potential consequential impacts.
<b>3</b>	<b>All</b>	<b>N/A</b>	<b>All</b>	The Budget report to Cabinet and City Council will identify the savings proposals that will be subject to statutory consultation and assurance is needed that these will comply with legal requirements. This needs	Agreed. Delivery Plans include Timescales and Key Milestones that will indicate whether a public consultation is required. Accompanying the Budget Report

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
				to be reflected in the timescales for delivery of the savings.	will be access to the Equality Impact Assessments that have been produced for applicable savings proposals, these also confirm legal requirements.
4	All	N/A	All	Assurance and legal advice are needed that the budget consultation, including consultation with residents of Birmingham and others, regarding the Council Tax rate will comply with legal requirements and will be both digital and non-digital.	Agreed. The budget consultation was undertaken in December 2023 and January 2024 and was reviewed in advance by Legal Services.
5	All	N/A	All	There should be clear communication on redundancy processes including training for managers to ensure a fair and consistent approach to implementing redundancies.	Agreed. People Services are managing the redundancy process and supporting Directorates and managers.
6	All	N/A	All	There should be clear policy on long term vacant posts – how these are declared and process to decide to retain vacant post / recruit / take as saving.	Agreed. People Services are managing the guidance provided to Directorates on the maintenance of their workforce and succession planning. A workforce strategy is being developed to address this at a whole Council level.
7	All	N/A	All	A review of the Council Corporate Risk register is undertaken following agreement of budget and MTFP at the February meeting of the City Council, with a senior	Agreed. This work has already commenced, and a new lead for Risk Management has been assigned within the Council. This

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
				officer and Cabinet Member assigned to each risk to ensure ownership of these risks.	will include refreshing the Risk Management Strategy.
8	All	N/A	All	An impact assessment of the savings proposals on the community and voluntary sector is undertaken to assess the cumulative impact for communities in Birmingham.	Agreed. Equality Impact Assessments have been produced for applicable savings proposals.
9	All	N/A	All	Each OSC receives a report following the approval of the Budget and MTFP on the implications of the budget and savings on the services within their terms of reference. In future years, an impact assessment of proposals should be reported to scrutiny in advance of the approval of the budget.	Agreed. An OSC work programme is being developed to provide updates on the savings relevant to each Scrutiny committee throughout the 2024/25 financial year.
10	All	N/A	All	Each OSC to receive a report every two months during the 2024/2025 financial year to update the Committee on the delivery of savings and service implications.	Agreed. An OSC work programme is being developed to provide updates on the savings relevant to each Scrutiny committee throughout the 2024/25 financial year to align with updates to Cabinet.
11	All	N/A	All	An Equality Impact Assessment is undertaken on the combined impact of savings on vulnerable groups and those with protected characteristics, and in future years shared with elected members prior to the Budget meeting of the Council.	Agreed. An Equality Impact Assessment has been undertaken on the combined impact of the proposed savings and will be shared as part of the draft budget report to Cabinet and then to City Council.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
12	All	N/A	All	In the budget presented to Council, there should be details of the use of short-term grant funding (e.g., Public Health, CAZ and UKSPF) to reduce the budget gap to inform Elected Members of whether a 'cliff edge' scenario is an issue in 2 or 3 years.	Agreed. The Delivery Plans for savings proposals that utilise short-term grant funding will include a Risk Management Plan, of which short-term grant funding has been included as a risk.
13	All	N/A	All	A review of contracts and contract management is undertaken to ensure that the council achieves best value from contracts and that contracts are renegotiated where necessary, particularly where several contracts are held across different services / directorates with the same provider. This work needs to ensure a complete, transparent and accurate contract register is produced, including details relating to when re-procurements need to commence and with contract start and end dates. As required by the Local Government Transparency Code, the relevant information should be published.	Agreed. As part of the savings proposals all Directorates have been looking at their contracts to identify savings. There is also a cross-cutting savings proposal for procurement contract savings.
14	All	N/A	All	A multitude of income generation opportunities should be explored, e.g., dropped kerbs, lane rental, commercial events, Shelforce, debt collection, hotel tax, increase use of direct debits – if residents are already using Direct Debits for some	Agreed. As part of the savings proposals all Directorates have been looking at their income opportunities to identify savings and where appropriate these have been included.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
				services they are more likely to take up for other services.	Opportunities are also being looked at for 2025/26.
15	106	Service Re-design and Restructure	Place, Prosperity & Sustainability	As Members were concerned about the level of risk given the scale of the savings to be delivered, the delivery plan for this saving should not only set out a timetable for the restructure of the directorate but also the impact on services of this restructure. Also, assurances are needed that there will be capability and capacity following the restructure to deliver asset sales in the timescales required.	Agreed. This has been included in the Delivery Plan within the Risk Management Plan section.
16	107	Reduction in Central Administrative Buildings (CAB) Premises	Place, Prosperity & Sustainability	The Savings Risk identified is high. Consideration should be given to maximising the use of the Council House and the Council House Extension as a location for staff. The implementation of these savings should consider Savings Proposal 193: Transformation of NAIS and Community Libraries which, if implemented, will reduce the number of community libraries.	Agreed. A cross-Council view on capital assets is being considered as part of this process.
17	107	Reduction in Central Administrative Buildings (CAB) Premises	Place, Prosperity & Sustainability	Where services vacate a building prior to sale, the financial implications of ensuring safety and security of the building must be considered.	Agreed. These costs have been flagged in the Delivery Plan.
18	107	Reduction in Central Administrative	Place, Prosperity & Sustainability	Where a leased building is sold, the loss of income because of the asset sale must be reflected in the budget.	Agreed. This has been reflected as a loss of income in the proposed budget for 2024/25.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
		<b>Buildings (CAB) Premises</b>			
19	107	<b>Reduction in Central Administrative Buildings (CAB) Premises</b>	<b>Place, Prosperity &amp; Sustainability</b>	Elected Members should be informed of / consulted on sale of assets within their ward prior to public announcement.	Agreed. The Director of Place, Prosperity & Sustainability will ensure this recommendation is implemented.
20	109	<b>Income Generation</b>	<b>Place, Prosperity &amp; Sustainability</b>	The Savings Risk is high. Additional income could be generated by charging developers for advice before the pre-application process.	Noted. This saving has been detailed in to two Delivery Plans, Increased Planning Fee Income, and Commercial Rent Reviews to provide additional detail and address the risks involved.
21	214	<b>Corporate Landlord Operational Property Savings</b>	<b>Place, Prosperity &amp; Sustainability</b>	Consideration should be given to bringing forward some of these savings into 2024/25.	Noted. This will be considered as part of the Delivery Plan.
22	126	<b>Review of Care Centre Model</b>	<b>Adult Social Care</b>	There should be clear criteria to determine which Care Centres will be closed including the weighting given to service user needs and property value / condition.	Agreed. This will be included in the review and consultation with regards to the four Care Centres as per the Delivery Plan.
23	130	<b>Review of the Day Centre Model</b>	<b>Adult Social Care</b>	It should be clear whether these decisions will be based on value / condition of property or service user needs and how the criteria will be balanced.	Noted. This will be included in the review and consultation with regards to the Day Centres as per the Delivery Plan.
24	193	<b>Transformation of NAIS and Community Libraries</b>	<b>Adult Social Care</b>	As there is a concern that the closure of library buildings will limit the future opportunity to relocate services to library buildings, the Delivery Risk identified for this saving is low and does not reflect the	Agreed. The Delivery Plan sets out how these risks can be mitigated.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
				challenges of judicial review and / or trade union action that may emerge.	
25	89 & 90	Services for Young People and Commissioning of Early Help Contracts	Children & Families	There is a risk of judicial review and / or trade union action which could delay delivery. There needs to be an assessment of the costs to the Council of any such delay.	Agreed. This is being considered as part of ongoing Trade Union discussions, and statutory consultations required.
26	89 & 90	Services for Young People and Commissioning of Early Help Contracts	Children & Families	Assurance is required that savings proposals on Services for Young People and Commissioning of Early Help Contracts have taken full account of the Council's statutory duty under Section 68b of the Education & Skills Act 2008; Section 507b of the Education Act 1996; duties under the Crime and Disorder Reduction Act, Serious Youth Violence Duty; Equality Act 2010; Human Rights Act 1998, and Children's Act 2000, and in full cognisance of its safeguarding responsibilities and duty to safeguard and promote the welfare of children and young people.	Agreed. This has been considered as part of our legal obligations in terms of this saving.
27	89	Services for Young People	Children & Families	Assurance is required that the loss in income from Youth Centres and including that generated by the youth service and through external funding has been considered.	Agreed. This has been reflected as a loss of income in the proposed budget for 2024/25.
28	89 & 90	Services for Young People and Commissioning of Early Help Contracts	Children & Families	A full stakeholder assessment is required given the significant implications to statutory partners including police, youth justice and NHS (especially mental health	Agreed. Stakeholders are being carefully considered in communications and engagement

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
				services), education sector and the voluntary sector.	strategies for specific savings and the overarching savings process.
29	89	Services for Young People	Children & Families	Assurances are needed that these savings proposals align with broader policy goals, and strategies and priorities for children and young people, both locally and nationally, regarding youth services and knife crime prevention.	Agreed. As part of a revisit of the original proposal, there is now £1m available to help address the issues of youth violence and knife crime.
30	89	Services for Young People	Children & Families	Assurances are required that other funding options have been explored for youth services particularly from Public Health.	Agreed. No funding for this is currently available from Public Health but the saving as originally put forward has been reduced by £1m in the final form.
31	89 & 90	Services for Young People and Commissioning of Early Help Contracts	Children & Families	Assurances are required that the impact of cutting these services on the demand for other statutory provision has been assessed within the Directorate and BCT – given Savings Proposals 185: Reduction of BCT contract and Savings Proposal 219: Children’s Services efficiencies.	Noted. Work is being delivered closely between the City Council and BCT to consider the impact of savings.
32	89 & 90	Services for Young People and Commissioning of Early Help Contracts	Children & Families	Full and proper consultation must be undertaken given that Savings Proposals 89 and 90 will likely disproportionately impact young people from global majority communities, those from low-income families and those who are already excluded – i.e., disabled and marginalised children and young people.	Agreed. This will be completed as part of the consultation for these savings.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
33	89 & 90	Services for Young People and Commissioning of Early Help Contracts	Children & Families	Equality Impact Assessments must be undertaken given that the savings proposals will be likely to disproportionately impact children and families who are already disadvantaged.	Agreed. An Equality Impact Assessment has been undertaken where appropriate.
34	93	Children's Travel Contracts	Children & Families	An assurance is required that the re-procurement of these contracts will be completed in time to deliver savings from April 2024 and that there is provider capacity to deliver the service, and whether the anticipated contract price takes into account past increases in fuel costs and inflation. Furthermore, the Delivery Risk of 4 is low.	Agreed. Re-procurement is already underway and therefore on track to deliver the required savings. Provider capacity is included as a risk on the Delivery Plan with a mitigation strategy.
35	146, 147, 148, 149 & 150	Children & Young People Travel Service	Children & Families	There is a risk of judicial review or trade union action which could delay delivery of savings. There must be full and proper consultation with parents and service users before implementation of change and an assessment of the costs to the Council of any such delay.	Agreed. Risks and mitigations have been included in the relevant Delivery Plans.
36	150	Review of Non-Statutory Transport Packages	Children & Families	Consideration must be given to the disruption that will be experienced by some 16–18-year-old young people for 2 years, some of whom may have SEND needs.	Agreed. This is considered in the impacts of this saving proposals included in the Delivery Plan.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
37	14	School Crossing Patrols (Non-Statutory service)	City Operations	Delivered through CAZ Funding for 3 years. Assurance is required that this service will meet the requirements of the CAZ funding and that a memorandum of understanding / grant agreement confirm the outcomes required, monitoring arrangements and exit strategy.	Agreed. Birmingham CAZ team has confirmed this is a suitable use of funding.
38	15	Local Engineering (Non-Statutory Service)	City Operations	The new delivery model must retain the function currently provided by the Local Engineer role to liaise with Elected Members to respond to ward issues.	Agreed. Elected Members can utilise normal contact routes with Directorates for support with ward issues.
39	16	Dropped kerbs	City Operations	Contrary to the view from Highways, the Task & Finish Group was of the view that additional income could be generated through enforcement of illegal dropped kerbs and damage to pavements because of house renovations / building work. Also, enforcement on these issues would reduce the risk of insurance claims against the Council. Further consideration of these matters would be welcomed.	Noted. This will be considered as part of the proposed transformation of City Operations.
40	16	Dropped kerbs	City Operations	Consideration should be given to income generation from Lane Rental as part of the Streetworks Permitting Scheme following the one-year review.	Agreed. Lane rental is something that the City Council is considering, and a feasibility study will be undertaken.
41	19	Reduction in PFI Management Budget	City Operations	Further consideration may need to be given to this proposal following the outcome of the Council's Judicial Review challenge.	Agreed. This will follow the outcome of the Judicial Review.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
42	49	Amend Community Safety Team	City Operations	Concerns from partners should be included in the Council's Risk Register.	Agreed. This is included within the risks in the Delivery Plan.
43	52	Increase Leisure Fees by 5%	City Operations	Consideration should be given to the cumulative impact of increased costs for residents, added to with the Cross Cutting Savings Proposal 228: Fees and Charges – further Savings which propose a minimum increase in fees of 10%. An increase in charges above 5% may prevent people from using the service, which may have implications for health and wellbeing, or choosing to use services beyond Birmingham.	Agreed. Savings proposal 228 is a proposal that impacts 2025/26, and this will be considered in future budgets.
44	56	Reduction of grant to The Active Wellbeing Society (TAWS)	City Operations	Consideration should be given to the capacity of TAWS to deliver on a reduced grant and their ability to take on facilities that BCC can no longer afford to operate.	Agreed. This will form part of the consultation with TAWS.
45	61	Cultural Organisation Grant Reductions	City Operations	The implications of grant cuts to BMusic and the long-term viability of Symphony Hall and Town Hall should be considered by the Group Company Governance committee.	Agreed. This will form part of the consultation with BMusic.
46	62	Cease Funding for Cultural Projects	City Operations	Consideration should be given to seeking sponsorship from the private sector.	Agreed. Organisations can explore private funding for cultural events.
47	64, 67, 69 & 168	Various	City Operations	Following the extensive reductions in services focussed on neighbourhood / ward support, remaining neighbourhood / ward funding within directorates should be	Agreed. The Director of City Operations will ensure Members are kept informed on funding to address Ward priorities.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
				identified to Elected Members to ensure that the funding available is addressing ward priorities.	
48	70	Changes to Business Improvement District Service (BIDs)	City Operations	There should be ongoing engagement with partners to understand the implications of savings proposals for BIDs both in the City Centre and smaller BIDs beyond the City Centre, to ensure their viability going forward and that the city retains the added value benefits that BIDs provide. Consideration should also be given to the implications for the development of new BIDs.	Agreed. Engagement with BIDs is ongoing as part of the savings proposal.
49	70	Changes to Business Improvement District Service (BIDs)	City Operations	The Council should again explore the implementation of a hotel tax for the City Centre in partnership with the BIDs.	Agreed. This will be considered for future budgets.
50	163	Increase Public Health Funding of Wellbeing Leisure Centres	City Operations	Members should be kept informed of changes in services in their wards.	Agreed. The Director of City Operations will ensure Members are kept informed.
51	169	Cease Sport Development Function	City Operations	Consideration should be given to longer-term opportunities to introduce community facilities and upgrades.	Agreed. This will inform the Councils asset strategy.
52	26	Additional Garden Waste Income and Fee Increase	City Operations	Residents who currently use Direct Debits to pay council tax and who use the additional garden waste service should be offered the option to pay by Direct Debit.	Agreed. This will be considered for future years.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
53	29	Move to fortnightly residual waste (non-recyclable) collections and amend early starts	City Operations	Consideration should be given to bringing forward some savings to 2024/25 and whether there are additional savings that can be identified as part of the Waste Transformation Programme during 2025/26.	Noted. As part of planning for delivery in 2025/26 consideration will be given as to whether any savings can be brought forward.
54	29	Move to fortnightly residual waste (non-recyclable) collections and amend early starts	City Operations	As part of the re-design of waste services, greater use of the current vehicle fleet should be explored in the scheduling of collections – e.g., 2 rounds a day. The re-design should also consider service standards and compensation for missed garden waste collections. Currently compensation is paid if collections are missed on 3 consecutive weeks, but not 3 missed collections across the Spring – Winter period.	Noted. These will be investigated as part of the re-design.
55	30	Cease Bank Holiday collection	City Operations	Consideration should be given to the implications when fortnightly collections are introduced which could result possibly in a month between residual waste collections.	This saving has now been removed.
56	31	Introduce charging for car parking in parks	City Operations	Consideration should be given to other measure that may be required, e.g., introducing double yellow lines in road near parks and the implications this would have on costs and timescales.	Agreed. Traffic Regulation Orders for traffic restrictions on roads surrounding the parks will also be introduced and funded through the income generated.
57	24	Pest control – new charge for domestic rat treatments	City Operations	Consideration should be given to enabling households to share the cost of rat treatments.	Noted. This is to be considered on a case-by-case basis.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
58	48	Review income from registration of Marriages	City Operations	Consideration should be given to income generation through merchandise sales within the Registrars Service.	Agreed. The service already sells crested certificates and presentation folders and will continue to explore further opportunities.
59	103	Voice Automation within Contact Centre Services	Council Management - Digital	The introduction of digitalisation / voice automation should be a priority but not through forced channel shift, with opportunities identified in other directorates to increase savings.	Agreed. This forms part of a key cross-cutting savings proposal.
60	175	5G Small Cells and LoRoWAN	Council Management - Digital	The income from this proposal should be benchmarked against other authorities and work taken forward with the West Midlands Combined Authority to maximise income from 5G.	Agreed. This research informs this saving.
61	175	5G Small Cells and LoRoWAN	Council Management - Digital	Assurance is needed that the income includes any costs of testing the structural integrity of the lamp posts.	Agreed. This has been considered in the delivery approach.
62	215	Business Improvement & Support Consolidation	Council Management - Digital	Consideration should be given to bringing some of these savings forward to 2024/25 and ensuring the workload for staff is deliverable.	Agreed. Saving Proposal #105 in 2024/25 is already included in plans to re-design the business support function.
63	220	HRA Review and joined up locality working between Housing and City Operations	City Housing	Consideration should be given to identifying further savings through efficiencies resulting from joined up working between Housing, Highways and Transport that would take out current duplication in service delivery. Members noted the risk rating of 10 which	Agreed. This work forms part of the 2025/26 savings proposal.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
				should be reduced as a result of effective working across the Corporate Leadership Team.	
64	226	HRA Investments and Valuations Team – Municipal Shops	City Housing	The suggested review was not considered as far-reaching as it could be, as numerous municipal shop precincts have a mixture of tenures and should be considered as opportunities for asset sale and redevelopment.	Agreed. Scope of proposed saving to be reviewed during 2024/25.
65	145	Legal Services – Scrutiny, Regulatory, Executive and Council arrangements	Council Management – Legal and Governance	The number of O & S Committees will be reduced from 8 to 7 with an ensuing SRA saving. Regulatory, Executive and Council arrangements and saving proposals will need to be formulated in the Cabinet response to these recommendations.	Agreed. This is being considered by Legal Services.
66	All	N/A	Cross Cutting	The Task and Finish Group was disappointed that work had not started earlier in the year when the budget gap was identified to develop proposals that would deliver greater cross cutting savings. A target should be set of £2m cross cutting savings to be delivered across 2024/25 and £5m (aggregate) across 2025/26 – figures arrived at following consultation appropriate officers.	Agreed. The budget process for the 2025/26 budget will commence immediately following the approval of the 2024/25 budget.
67	All	N/A	Cross Cutting	The Organisational Redesign work to reshape the Council’s services around citizens within available resources should	Agreed. This work will form part of the savings proposals for 2025/26. Acknowledging the fact

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
				include the development of a workforce that is flexible and roles that can respond to current pressures. Members were concerned that the savings proposals across the Council that will reduce the workforce before this re-design work is undertaken may result in key skills being lost from the organisation.	that savings delivered in the 2024/25 financial year will have a bearing on the workforce prior to the whole Council Organisation Redesign work. However, savings must be delivered during the 2024/25 financial year, and Directors are mindful of the need to retain a workforce that will deliver the Council's statutory services and provide a basis from which organisational redesign can be achieved.
68	All	N/A	Cross Cutting	The Organisational Redesign should review the duplication of services / teams across and within directorates and rationalise these based business need where this will result in savings.	Agreed. This work will form part of the savings proposals for 2025/26. Recognising the foundational work that is required to achieve this saving, including assessments of duplication and potential consolidation opportunities, preparatory work is being completed during the 2024/25 financial year to assess the scale of the opportunity.

Item	Saving Number	Saving Title	Directorate	Recommendations	Response
69	All	N/A	Public Health	Assurance is needed that an analysis of the savings funded through the Public Health Ring Fenced Grant are a public health priority for the City and meet the priorities of the Joint Strategic Needs Assessment and / or the Health and Wellbeing Strategy.	Agreed. This has been assessed by the Director of Public Health in consultation with Office for Health Improvement and Disparities.
70	All	N/A	Public Health	The Memorandums of Understanding that are agreed for the use of the Ring-Fenced Public Health Grant for savings set out clear outcomes and robust arrangements must be in place to monitor and report these to ensure that evidence of outcomes is reported to OHID, to ensure the risk of funding having to be re-paid is reduced.	Agreed. This has been assessed by the Director of Public Health in consultation with Office for Health Improvement and Disparities.
71	All	N/A	Public Health	The risk of being required to repay the Ring-Fenced Public Health Grant used for savings must be included in the Council's Risk Register and a senior officer and Cabinet Member assigned to each risk.	Agreed. The Council's Risk Register will reflect this.



# Birmingham City Council

## Report to Cabinet

27 February 2024



**Subject: 2024/25 Budget Setting for General Fund Revenue Account, 2024/25 to 2027/28 Capital Programme and 2024/25 Treasury Management Strategy and Policy**

### Commissioner Review

- 1.1 The Council is in an extremely serious financial position as a result of the past decisions it has taken, both in deciding to take specific actions and failing to recognise and take proper corrective action. All local authorities are facing significant pressure in service delivery costs and the failures of the past have eroded the Council's room for manoeuvre. There is a narrow path to financial sustainability that will require both discipline and pace from both Members and Officers.
- 1.2 The Commissioners believe this budget is deliverable. However, to do so will require major improvements in the arrangements for the delivery of savings. This includes governance, monitoring and project management arrangements and also a change in organisational culture where successful delivery of change and savings is valued and problems overcome rather than hidden. There is also a real need to ensure Council recruits, retains and invests in people with the right skills and knowledge to undertake this work. The Council has made limited progress in this area and needs to do far more and at a far greater pace.
- 1.3 The same rigour must be applied to both the Oracle and Job Evaluation programmes. This budget is clearly dependent on the successful delivery of both these programmes. The mistakes of the previous projects cannot be repeated.
- 1.4 The Council has received £1.255bn in Exceptional Financial Support (EFS) from Government. For the avoidance of doubt EFS is really nothing more than a loan from government that must be paid back through asset sales. There are conditions for this loan that mirror the concerns raised above around savings delivery.
- 1.5 The narrow path to financial sustainability is dependent on the revenue budget being balanced within two years. This means that over this period revenue savings of £293m [Note: £226m existing savings programme + £67m budget deficit for 25/26, as per budget report] must be made, of which £226m are set out in this budget. If this cannot be delivered the Commissioners have serious concerns that the Council asset base will not be large enough to support a further request for EFS with a consequent major impact on services.

- 1.6 As well as delivering this budget effectively, the Council needs to start work on the 2025/26 budget immediately by identifying and starting to implement savings to address the overall budget gap. The Commissioners believe a far higher proportion of savings in this second year can be generated through efficiencies. This will require a far more considered approach to identification of savings and major changes to how the Council operates. These proposals need to be shaped by a coherent vision of what the smaller, more effective, Birmingham City Council will offer its citizens and businesses and how it will lead the place.
- 1.7 Now the real work of delivery needs to take place with discipline and pace. There are no other choices available.

# Birmingham City Council

## Report to Cabinet

27 February 2024



**Subject:** 2024/25 Budget Setting for General Fund Revenue Account, 2024/25 to 2027/28 Capital Programme and 2024/25 Treasury Management Strategy and Policy

**Report of:** Fiona Greenway, Director of Finance & Section 151 Officer

**Relevant Cabinet Members:** Councillor John Cotton, Leader of the Council  
Councillor Brigid Jones, Cabinet Member for Finance and Resources

**Relevant O & S Chair(s):** Councillor Sir Albert Bore, Chair of Co-ordinating Overview & Scrutiny Committee  
Councillor Jack Deakin, Chair of Finance and Resources Overview & Scrutiny Committee

**Report author:** Peter Sebastian, Head of Financial Planning

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference: 011742/2024		
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Does the report contain confidential or exempt information?  Yes  No

If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:

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## 1 Executive Summary

- 1.1 The purpose of this report is to set out the 2024/25 budget, including General Fund, Housing Revenue Account, Capital Programme, and Treasury Management Strategy and Policy, for Birmingham City Council (BCC) and the 2025/26 financial planning context.
- 1.2 In accordance with the City Council's Budget and Policy Framework Procedure Rules, as laid out within the Constitution, only the full Council is able to approve "the overall revenue budget, the allocations of revenue resources to Directorates, the initial capital programme at the commencement of each year, the level of Council Tax and Council Tax support, the Prudential indicators, the Prudential borrowing limit, the treasury management strategy and policy (Paragraph 4.2.i.b of [Part B](#) of the Constitution).
- 1.3 Cabinet will consider the draft Budget. The Cabinet's role in relation to these matters will be to consider a draft which will then be presented to the full Council for approval. (Paragraph 6.2.iii of [Part B](#) of the Constitution).
- 1.4 This report is set against the context of the financial challenges for the Council, including the issuance of two Section 114 notices in September 2023 and the appointment, by the Secretary of State for Levelling Up, Housing and Communities, of Commissioners to oversee the Council.
- 1.5 While this situation was brought about initially due to the scale of potential Equal Pay liabilities that the Council faces, this budget highlights wider and significant financial pressures and a fundamental structural collapse of the 2023/24 General Fund budget. There are increased future forecast demands on services, particularly in Adults and Children's Social Care and Housing. A significant review of current budgets has been undertaken which, due to poor delivery, has resulted in the cancellation (i.e. the writing off) of the existing savings programme that was approved in the 2023/24 Budget and 2023-2027 MTFP, to be replaced by a new savings programme which has been subject to significant officer and member scrutiny.
- 1.6 There is still significant work (and cost) required to stabilise and improve the operation of the Oracle (ERP) finance and HR system, and the need to implement a new system of job evaluation to ensure that the Council's pay and grading

structure accurately reflects the work that officers do and to mitigate against any future potential Equal Pay claims.

- 1.7 The full range of these pressures means that the budget presented for the 2024/25 financial year is not balanced. To balance this budget – and to enable the City Council to set a lawfully balanced budget on 5 March 2024 – the Council has submitted a formal request to DLUHC to seek Exceptional Financial Support (EFS) which provides the ability to capitalise revenue expenditure and is unfunded, requiring capital receipts generated by asset disposals.
- 1.8 This request, if approved, will enable the Council to set a balanced budget and to start the journey to rebuild a sustainable financial plan. This includes the identification and delivery of a new savings programme that is unprecedented in scale. A significant programme of check, challenge, and scrutiny has been undertaken to enable the identification of credible savings proposals over the next two years to improve the financial resilience of the Council, including draft delivery plans and Equality Impact Assessments (EIAs) where needed. Delivery of these savings will need to involve significant and sustained work by all council officers, members and stakeholders.
- 1.9 The key messages contained in this report are:
  - a) The Council also faces pressures that are unique – the impact of potential equal pay claims and issues with the Oracle finance system (Section 5 refers).
  - b) A “re-basing” exercise has been carried out to review and correct material errors within the 2023/24 General Fund Revenue budget. These include increasing inflation forecasts, funding a range of unfunded pressures and writing off the entirety of the existing savings programme as many savings were not being delivered and did not have clear delivery plans (Section 5 refers);
  - c) The Council faces similar pressures to other councils – as can be seen by the forecast increase in demand and costs of adults and children’s social care and increasing demand for temporary accommodation (Section 7 refers);
  - d) As a result of the identified issues a new proposed savings programme is required. This is included within the budget, but has not closed the budget gap. Delivery of these savings will be key to helping the Council manage its budget (Section 9 refers);

- e) Taking into account the new proposed savings, in cash terms all 2024/25 Directorate net expenditure budgets are increasing compared to 2023/24 (excluding Strategy, Equalities and Partnership) (Appendix 2A refers);
- f) The budget includes a request to DLUHC to set the Council Tax increase above the referendum limit at 9.99% for 2024/25 for the Council's element. The Council recognises the impact of this on residents, and is providing £1.02m of additional Council Tax Support (Section 11 refers); and
- g) After the new savings programme and additional Council Tax increases, the budget is still not balanced. To balance the budget for the City Council, DLUHC is enabling Exceptional Financial Support of £1.255bn to address the budget deficit for the 2024/25 financial year (Section 12 refers).

1.10 Commissioners have instructed the Council to balance its budget over a two year period (2024/25 and 2025/26) before resuming medium-term financial planning. To start this process, the Council will present a two year budget for the 2024/25 and 2025/26 financial years. This is laid out in this report.

## **2 Recommendations**

### **2.1 Cabinet agrees and recommends to the City Council for approval at its Council Tax-setting meeting:**

- a) The 2024/25 draft General Fund net Revenue Budget of £1,150.870m (Sections 6, 7 and Appendix 2A refer);
- b) The 2024/25 and 2025/26 programme of proposed savings (Section 9 and Appendix 1 refer);
- c) To apply additional premiums for empty homes, coming into effect on 1 April 2024, and for second homes on 1 April 2025 (Section 10, paragraphs 10.5 to 10.8 refer);
- d) The 2024/25 Reserves & Balances Policy (Section 11 and Appendix 3 refer);
- e) The 2024/25 Dedicated Schools Grant (DSG) funding allocation for Schools (Section 14 and Appendix 6 refer);
- f) The 2024/25 to 2027/28 Capital Programme and Capital Strategy (Section 15, Appendices 7 and 8 refer);

- g) The 2024/25 Treasury Management Policies and Strategy (Section 15, Appendices 7 and 8 refer);
- h) To act in its capacity of accountable body to the Enterprise Zone (EZ) Programme, to approve the retention to Birmingham City Council General Fund of £3m of Business Rates receipts arising from the ringfenced EZ Collection Fund plus 50% of any sum in excess of £6m EZ Programme annual net surplus, as approved by the EZ Partnership Board (Section 17 refers);
- i) The Corporate Equality Impact Assessment (Appendix 10 refers), as well as the Equality Impact Assessments for individual savings proposals at <https://www.birmingham.gov.uk/EqualityImpactAssessments>; and
- j) The draft Council Tax requirement (Appendix 2B refers).

## **2.2 Cabinet agrees:**

- a) To note that the Budget Proposals in this report include the write off of the entire 2023/24 savings programme (including planned savings in that programme for 2024/25 and future years) (Section 9 refers);
- b) To delegate authority to the Section 151 Officer, in consultation with the Cabinet Member for Finance and Resources, to use the Contingency Budget for those matters which may require an urgent response, subject to compliance with procurement rules. Any delegated decision will be reported through the normal procedures as set out in the Constitution and subsequent reporting via budget management reports to Cabinet;
- c) To receive regular monitoring on the proposed savings and the overall budgetary performance of the Council;
- d) To direct the Corporate Leadership Team (CLT) to progress the savings as set out in Appendix 1, following agreement of the City Council;
- e) To note that the 2024/25 Housing Revenue Account (HRA) budget, and the Business Plan, as approved by Cabinet on 16 January 2024, will be shared with City Council, for information, on 5 March 2024;

- f) To apply the Council's Exceptional Financial Support request of £1.255bn to enable the City Council to set a balanced budget for 2024/25. In particular, to **include a 9.99% increase in Birmingham City Council's Council Tax element;**
- g) To approve the schedule of fees and charges, approving those with the delegations to Cabinet, and recommends all other fees and charges to the City Council meeting on 5 March 2024 (Appendix 9 refers);
- h) To approve the incurring of expenditure funded by accepting external capital resources of £6,825,450 from the Department for Environment, Food and Rural Affairs to support the introduction of weekly food waste collection (Section 15, paragraphs 15.10 to 15.12 refer); and
- i) To delegate authority to the Section 151 Officer, in consultation with the Leader and Cabinet Member for Finance & Resources, to make any amendments or corrections to the 2024/25 Draft Budget between now and submission to City Council on 5 March 2024.

### **3 Strategic Context for Birmingham City Council**

3.1 A series of reviews and judgements provide evidence of significant and systemic failure at the Council. They highlight the significant financial, governance and cultural challenges the Council faces:

- a) Governance and service delivery concerns raised by the Local Government and Social Care Ombudsman, the Housing Ombudsman, and the Department for Education's Commissioner for Special Educational Needs and Disability services.
- b) The findings from an independent review of governance by the Centre for Governance and Scrutiny (CfGS), commissioned in view of the issues above, identifies significant governance challenges requiring attention, including systemic culture and behavioural issues. Many have been cited previously and are the root causes of some of the challenges the Council is now facing.
- c) External Auditor Statutory Recommendations issued on 29 September 2023 which include 12 recommendations focussed on improvements needed in management, practice, and governance.
- d) Internally, two Section 114 Notices and a Section 5 Notice (issued during September 2023) reflect the exceptional financial position and severity of budget challenges. The potential equal pay liabilities were the major contributing factors to these Notices.

3.2 The Memorandum which accompanied the Government's Intervention Directions issued on 5th October 2023 under Section 15(5) and (6) of the Local Government Act 1999, references concerns about financial governance and systemic failings over several years including weak governance, poor culture, a challenging relationship with trade unions, and ineffective service delivery, which have been exacerbated by churn at senior officer level. The Directions require the preparation and agreement of an Improvement and Recovery Plan.

3.3 An Improvement and Recovery Plan, to be agreed and published in April 2024, will set out actions to address those challenges.

3.4 The Council must implement the right changes to become a well-run, financially sustainable organisation that values its people and works effectively with its partners. The Council must deliver consistently good services for residents, engage

communities, and play a leading role in making Birmingham a city where people are proud to live and work.

- 3.5 The Council's improvement and recovery journey does not start with the agreement of the Improvement and Recovery Plan. The Plan will build on the initial financial recovery response, focussing as the most immediate issue to address, on the delivery of budget savings, a solution to Equal Pay challenges, and Oracle. It will build upon the Stabilisation Plan being implemented in response to the CfGS Governance Review, and the response to the External Auditor's recommendations. The Improvement and Recovery Plan will be regularly reviewed and updated to reflect changes in priorities and new requirements, such as the requirement for local authorities to produce productivity plans.
- 3.6 The Improvement and Recovery Plan, and delivery of it, will provide assurance to Citizens, Councillors, Officers, Partners, and Commissioners, that we are improving the way we operate as a Council so that we can provide better services and outcomes for the City and Citizens. The Plan will help the Council to ensure clear service standards, customer focus, and value for money.
- 3.7 Together with a new Corporate Plan, to be developed over the next few months, and this budget report, the Improvement and Recovery Plan provides the framework for directorate and service business planning, setting out the Council's priorities for delivery within the available budget envelope.

## 4 Financial Position – National Context

4.1 There are a significant range of challenges that this Council, and all public bodies, are currently facing.

- a) Service pressures – a Local Government Association survey in December noted that nearly one in five council leaders believe it is “fairly or very likely” that they will run out of money in the next 15 months as funding fails to keep pace with inflation and increased demand for child protection, adult social care and homelessness services;
- b) Uncertain central government funding – the Council’s net revenue budget is funded from four main sources: Business Rates, Council Tax, government grants and fees & charges. Of these:
  - i. While Council Tax and Business Rates are also dependent on ratepayers’ ability to pay, there are uncertainties over these funding streams in future. This includes further policy detail on future allowable Council Tax increases, Business Rates retention of income or reliefs (although the Council, along with the West Midlands Combined Authority, has signed an agreement to extend full retention of business rates for another ten years; approved by Cabinet on 14 November 2023) or any review of how funding is distributed across local government.
  - ii. Government Grants – the Local Government Finance Settlement has provided clarity for the 2024/25 financial year only, with no information for future years. Details of the Council’s financial settlement are included in Section 10 of this report.
  - iii. Fees and Charges for the wide range of Council-run services are dependent on activity levels and residents’ ability to pay.

## 5 Financial Position – The Local Context for Birmingham

5.1 The Council's financial position is extremely challenging. This report highlights that there is a significant structural General Fund budget deficit of £225.9m for the 2024/25 financial year. Without the approval of Exceptional Financial Support from DLUHC, the Council would not be able to balance, or set, a lawful budget. In addition to these budgetary issues, the Council faces significant potential Equal Pay liabilities. The Council is under statutory intervention, with commissioners appointed by the Secretary of State for Levelling Up, Housing and Communities.

5.2 The factors that have led to this point are:

### Oracle Issues

5.3 Since the implementation of the Oracle Enterprise Resource Planning (ERP) system in April 2022, there have been significant issues with the processes, interfaces, and the systems ability to produce meaningful reports.

5.4 Work is ongoing to stabilise and improve the operations of the Oracle finance and HR system, but significant difficulties remain around the financial integrity of the finance ledger. Simply put, the system is still posting transactions incorrectly and significant manual work is required to ensure that the finance system is accurate. This has led to:

- a) Delays in closing the prior year accounts – an additional six months' worth of work was required across finance teams to manually adjust inaccuracies in the ledger, to ensure transactions were posted to the correct cost centres. This delay in closing has taken up significant finance team resource and meant the production of the 2022/23 accounts has been delayed;
- b) Forecasting being done manually – this is the result of continuing issues with the accuracy of the finance ledger (which finance staff have to manually correct), as well as the delay in implementing system modules that would have enabled budget holders to view and forecast their budget spend more easily. Therefore, budget forecasting has been carried out based on the best available data and organisational intelligence
- c) Significant additional costs for the Council to rectify these issues – these ongoing costs are provided for in the budgets for 2024/25 and 2025/26, a total of an additional £45m across these two financial years, as well as the costs to

operate the system as it currently stands. This is in addition to the £86m budget approved so far.

### **Equal Pay**

- 5.5 During the early stages of the 2023/24 financial year, refreshed analysis of the Council's potential Equal Pay liabilities identified an increased potential liability estimated to be in the region of £650m to £760m. The Cabinet announced the results of this analysis at its meeting on 28<sup>th</sup> June 2023, outlining that the Council would not be able to afford the liabilities from existing resources including reserves. This is one of the biggest financial challenges that the Council has ever faced, and it means that significantly fewer resources are now available for the 2024/25 financial year.
- 5.6 These potential Equal Pay liabilities led to the issuance of a Section 114 (3) notice on 5 September 2023. This decision was made as the Council was effectively in a negative General Fund position because the cost of providing for potential Equal Pay liabilities, that the Council was legally obliged to recognise, resulted in the Council exceeding the financial resources (including reserves) available to it. This meant that the spend due to fall within the 2023/24 financial year would exceed the financial resources available to the Council in the same period.
- 5.7 To pay for these potential Equal Pay liabilities, the Council needed to seek support from Central Government. On 25 September 2023, an Extraordinary meeting of the City Council considered the Council's Financial Recovery Plan that included asset disposals, redesigning the organisation to achieve a sustainable budget position and generating additional income. Within this report, the Chief Executive outlined that the Council would likely require Exceptional Financial Support from Central Government, including agreement to capitalise the potential Equal Pay revenue liabilities, and explore options to fund this capitalisation through the application of capital receipts.
- 5.8 The Council must limit the growth of any liabilities by implementing a new system of pay and grading to remove any future potential Equal Pay liabilities and do so by the 1 April 2025 (which is the target date assumed by current estimates). Budget of £20m has been set aside for this work across the 2024/25 (£13.3m) and 2025/26 (£6.7m) financial years. Further analysis is being carried out to refine the Council's estimates of these potential Equal Pay liabilities.

## **Structural Budget Issues**

- 5.9 The Council was already facing significant financial challenges prior to the issuance of the Section 114 notices. On 25<sup>th</sup> July 2023, Cabinet was advised of a forecast General Fund overspend against budget of £87.4m for the 2023/24 financial year (excluding costs being incurred to fix the Oracle system). The forecast for 2024/25 also showed an additional budget gap of £77.5m, making this £164.8m cumulative across the two years (against the forecasts included within the 2023/24 Financial Plan).
- 5.10 Since then, a significant review of the Council's base budgets has been carried out that identified some significant structural issues. This included a review of potential budget pressures and the key assumptions underpinning the 2023/24 budget and the forecasts that were used for 2024/25.
- 5.11 The draft budget for the 2024/25 financial year, as presented in this report, has been subject to a significant amount of due diligence. This included a full review ("re-basing") of the key assumptions that the budget for the 2023/24 financial year and previous forecasts for the 2024/25 financial year were based upon, including:
- a) Reviewing demand pressures across all Directorates;
  - b) Reviewing and updating the inflation forecasts for pay, contracts and general price inflation (Section 8 refers);
  - c) Writing-off the entirety of the 2023/24 savings programme that was agreed by Council on the 28 February 2023 as part of its 2023/24 Financial Plan based on under-delivery and the absence of meaningful delivery plans. This has been replaced by the savings programme laid out in this report (Section 9 and Appendix 1 refer); and,
  - d) Adopting a root and branch review of proposed contributions to and from reserves, as well as a review of the Council's Reserves & Balances Policy (Section 11 and Appendix 3 refer).

## **Reserves and Balances Position**

- 5.12 The Council's General Fund has overspent for the 2022/23 financial year and is facing a further overspend for the 2023/24 financial year. Further details of this overspend, and the updated forecast for the 2023/24 financial year position, will be

brought to Cabinet in March 2024. The reserves forecasts in this report have regard to these forecasts.

5.13 When the impact of these budget overspends is combined with the potential Equal Pay liabilities, the Council faced a negative reserves position in the region of £680m.

### **Statutory Intervention**

5.14 On 29 September 2023, the Council's External Auditor Grant Thornton issued Statutory Recommendations to the Council under Schedule 7 of the Local Audit and Accountability Act 2014. The External Auditor outlined 12 Statutory Recommendations, with significant and widespread implications across the Council. These recommendations are contained with the report titled 'Birmingham City Council External Audit 2020-21 to 2023-24', which was considered by City Council on 29 September 2023.

5.15 On the 5 October 2023, the Secretary of State for Levelling Up, Housing and Communities made directions under Section 15(5) and (6) of the Local Government Act 1999 in respect of Birmingham City Council. This included directing the Council to take certain actions, and enabling Commissioners to exercise certain functions of the Council. Commissioners have since been appointed and, alongside members and Council officers, are working to tackle the range of issues that have led to this intervention.

5.16 This budget report is due to be published in by April 2024 (as noted in Section 3). **To enable the Council to return to a balanced position, Commissioners have instructed the presentation of a two year budget – for the 2024/25 and 2025/26 financial years.** This is laid out in this report.

### **Asset Disposals Programme**

5.17 To be granted Exceptional Financial Support from Government, the Council needs to show that it is doing all that it can to reduce the scale of the request. Alongside the additional Council Tax increases in this report, the Council has embarked on a significant programme of asset disposals of around £750m. The impact of these asset disposals has been factored into this budget report.

### **Summary**

5.18 As a result of the factors described in this Section, the Council faces a significant budget gap for the 2024/25 financial year and beyond. Further details are included

in the Section 25 report of the Section 151 Officer, which is included in the papers for this Cabinet meeting.

## 6 2024/25 and 2025/26 Draft General Fund Revenue Budget

- 6.1 The budget presented in this report is for the next two financial years. The intention for the 2024/25 budget, and the 2025/26 budget, is to stabilise the Council's financial position and enable medium-term financial planning outlook to be set out. It is critical for the Council to demonstrate that it can set – and live within – proposed expenditure budgets over the next two years, particularly with regard to the delivery of the proposed new savings programme.
- 6.2 At present, the Council cannot set a lawfully balanced budget without a formal request to DLUHC for Exceptional Financial Support.
- 6.3 The requests for Exceptional Financial Support have been twofold:
- a) For permission to **increase Council Tax** above the Government's current referendum threshold of 4.99%; and
  - b) For **a Capitalisation Direction**, which enables the Council to treat revenue costs as capital costs. As capital costs, the Council must sell capital assets to generate receipts to fund this capitalisation. The request for Exceptional Financial Support is explained in more detail in Section 12 of this report.

**Table 1 –2024/25 and 2025/26 Draft General Fund Revenue Budgets**

	2024/25 £'000	2025/26 £'000
<b>Net Base Budget 2023/24</b>	<b>955,730</b>	<b>955,730</b>
<b><u>Expenditure</u></b>		
Staffing	29,516	45,598
Demand-Led Pressures	162,523	174,037
Statutory Requirement	2,718	2,718
Corporately Managed Budgets	5,346	962
<b>Directorate Budget Pressures</b>	<b>200,103</b>	<b>223,315</b>
Pay Inflation	20,975	28,274
Contract Inflation	38,205	72,994
General Price Inflation	33,826	43,748
<b>Inflation</b>	<b>93,006</b>	<b>145,016</b>
Write off 2023/24 Savings Programme	68,773	68,773
2024/25 & 2025/26 Savings Programme	(145,125)	(221,449)
<b>Savings</b>	<b>(76,352)</b>	<b>(152,676)</b>
<b><u>Income</u></b>		
Government Grants (Corporately Held)	(39,620)	(35,180)
Other Income	10,735	16,198
<b>Income Subtotal</b>	<b>(28,885)</b>	<b>(18,982)</b>
<b>Net Payment to/(from) Reserves</b>	<b>7,269</b>	<b>(21,407)</b>
<b>TOTAL NET EXPENDITURE</b>	<b>1,150,870</b>	<b>1,130,995</b>
<b>RESOURCES</b>		
Forecast Business Rates Income	(435,577)	(455,499)
Business Rates Deficit for the 2024/25 financial year	60,106	
Forecast Council Tax Income	(480,419)	(533,266)
Council Tax Deficit for the 2024/25 financial year	4,221	
Top Up Grant	(73,323)	(74,833)
<b>TOTAL RESOURCES</b>	<b>(924,991)</b>	<b>(1,063,598)</b>
<b>Budget Gap</b>	<b>225,879</b>	<b>67,397</b>
Exceptional Financial Support (EFS) requested	(225,879)	-
<b>Net Budget</b>	<b>-</b>	<b>67,397</b>

Note: The figures for 2025/26 are cumulative

6.4 At present, work remains to balance the 2025/26 budget. The Council will need to continue to develop additional savings of around £67m in addition to the savings laid out in this report, to balance the 2025/26 budget.

6.5 The key elements of the budget are explained in detail in Sections 7 to 10 below.

## **7 Directorate Revenue Budget Pressures**

7.1 There are four main elements that make up these pressures.

### **Staffing**

7.2 **The first element relates to staffing costs.** These include the correction of a previous budget issue that relates to the 1.25% planned increase in National Insurance contributions (and therefore pay costs) which was subsequently scrapped in September 2022. This planned increase was removed from base budgets twice, in error, leaving a shortfall (£3.4m in 2023/24) to cover the forecast pay award. It also includes an additional budget allocation for social worker retention and increment and retention payments for staff at the Birmingham Children's Trust.

### **Demand-led Pressures**

7.3 **The second element relates to a series of demand-led pressures across directorates.** These pressures are driven by additional expected activity and are separate from the inflationary budget pressures (which impact existing activities) which are dealt with in Section 8. The significant demand led pressures are:

#### **Adult Social Care**

- a) Adult social care supports around 13,000 citizens at any point in time, providing around 20,000 packages of care, and remains one of the Council's largest areas of net expenditure at around 39% of total directorate net expenditure. Additional investment of £50m has been provided to the service to cover anticipated additional costs and pressures.
- b) The Council continues its strength-based approach to assessing needs and building on the assets that support citizens. This approach fosters independence, choice, and control, which in turn reduces reliance on Council intervention. This approach has placed a greater emphasis on supporting citizens to live independently in community settings, rather than being placed in long term traditional care settings, thus delivering better outcomes for the citizens. The growth that has been built into the budget recognises the impact of these previous initiatives and the impact of ongoing transformation work.
- c) Growth in demand from demographic, population and societal changes has been estimated at £19.2m. There are more Older People with more complex needs and the Younger Adults cohort continues to grow again with more

complex needs. As a reflection of these increasing numbers and complexities the Council has seen average increases in demand of almost 5%.

- d) Inflationary increases in externally commissioned care packages have been factored into the budget at £21m. In addition, £23m of central Government Grants has been allocated to the Council, the purpose of which is to make tangible improvements to Adult Social Care services and in particular build capacity and improve market sustainability and the Council has a duty under Section 5 of the Care Act 2014 to promote the efficient and effective operation of the market for adult care and support services. Nationally, recruitment and retention in the care sector has been challenging. The additional resources include an element which focusses on increasing the social care workforce capacity and retention alongside reducing adult social care waiting times.

### **Children's Social Care (Birmingham Children's Trust (BCT))**

- e) It is recognised nationally that pressures on children's social care are rising substantially. Drivers include:
- i. Rising demand: increasing referrals, assessments, Children in Care. For BCT:
    - Early Help: from no service in 2018 to 20,000 families receiving help
    - Referrals: up 19% since 2018
    - Assessments: up 35% since 2018
    - Child protection plans: up 2% since 2018
    - Children in Care admissions: up 5.5% since 2018
  - ii. Rising complexity of need driven in part by the pandemic and latent, unmet need.
  - iii. Increasing numbers of Unaccompanied Asylum-Seeking children (UASC). It is worth noting that young people come through three routes: the National Transfer Scheme, spontaneous arrivals or children wrongly assessed at port of entry and placed in adult hotels in the city. For BCT the number of UASC has doubled in the last 12 months, to 200 children in care. The grant received does not cover costs and, as these young people become care

leavers the grant reduces significantly while our responsibility endures. This has created unfunded pressure.

- iv. Rising costs of care – this is a widely reported national challenge. The impact of inspection and regulation is driving up costs. 22 more children are being cared for in bespoke and extremely high-cost arrangements, with very high staff ratios etc. For BCT:
- Average unit cost for Children in Care up 8.5% 2016-20; up 11.6% 2020-22
  - Supported accommodation: up 72% 2020-22
  - Residential care: up 18% 2020-22
- v. Staffing pressures, including the challenges of recruitment and retention for some key roles, such as social workers and lawyers
- f) Other pressures that relate to Children’s Services include the Children & Young People Travel Service (CYPTS). This remains an area of significant expenditure and risk for the Council. It is a vital and statutory service that provides transport to some of the most vulnerable children and young people in the city. Work is being undertaken to improve medium and long-term demand and financial modelling; and to deliver required savings in this area.

### **City Housing**

- g) The Council continues to face significant levels of demand for Temporary Accommodation, driven by the Cost of Living Crisis and the private rental market prices. In 2020/21, the average number of Bed and Breakfast placements per week was 496; by 2023/24 this had risen to 1,018 per week with further increases forecast for the 2024/25 financial year.
- h) With demand outstripping supply, the prices charged for Emergency Bed and Breakfast (B&B) placements increase as costs are determined by providers, and the rents chargeable to tenants are capped at the Local Housing Allowance (LHA) rate.
- i) This budget is set based on the Council’s Temporary Accommodation Investment Strategy, as approved by Cabinet on 5 September 2023, which includes £18.2m in 2024/25, reducing each year after, in order to invest in both

prevention and affordable supply of temporary accommodation, thereby reducing the B&B budget over a 5 year period.

### **Oracle-Related Costs**

- j) Within budgets there are forecast cost pressures to deliver the Stabilisation & Improvement Plan (£25m in 2024/25 and a further £20m in 2025/26), as well as to cover existing temporary staff that are providing manual support to the system to ensure that it continues to carry out the basic functions (£3.6m in 2024/25 and £3.6m in 2025/26);

### **Job Evaluation / Pay Equity / Equal-pay Related Costs**

- k) These pressures relate to costs required to implement the new Job Evaluation scheme and the new Pay Equity and Pay Compliance Team. not to cover the potential Equal Pay liabilities that the council faces which is being handled separately (see the Exceptional Financial Support request in Section 12). These costs are forecast to be £13.3m in 2024/25 and £6.7m in 2025/26. This funding was agreed by Cabinet in July 2023; and

### **Waste Management Costs**

- l) Within City Operations, there are additional budget pressures for additional Waste Management costs – these include a pressure of £5.0m in 2024/25 and 2025/26 for hire and repair costs of vehicles and £4.5m of ongoing pressure related to infrastructure upgrades across the Waste service.

### **City Operations**

- m) In addition, the Council has recently been notified by the Department for Transport that following activity to restructure the PFI Project that Government is no longer minded to continue the existing Highways PFI arrangement which provided for £50.3 million of PFI credits per annum until 2035. The Council is seeking to understand the Government's position in more detail along with the potential impact this will have on the city and region if the decision stands. Should this position manifest this may create additional pressures on the Council's revenue budget in future years, due to the impact this would have on the deliverability of savings presented by the Highways service. This would need to be addressed through alternative savings of an equivalent value from within the Directorate.

### **Contingency Budget**

- n) The Contingency Budget replaces the previous 'Policy Contingency Budget', as described in the budget for the 2023/24 financial year.
- o) It should be noted that the centrally held contingency budget holds a range of contingencies against different line items, including pay and demand-led pressures. Within Table 1, Demand-led pressures includes a £20m budget for service transformation to enable the delivery of the savings programme for 2024/25 and 2025/26.
- p) Also included is a capitalisation contingency, to cover unforeseen budget pressures, including delay in savings delivery and potential additional costs related to the capitalisation direction sought as part of the package of Exceptional Financial Support from DLUHC (see Section 12 below). The capitalisation contingency topped up existing contingency budgets by £22.75m in 2024/25 (for a total of £25m) and a further £5m in 2025/26 (for a total of £30m).
- q) Full details of the Contingency are described in more detail in Section 11.

### **Statutory Requirement**

- 7.4 **The third element relates to costs in respect of the statutory intervention that the Council is currently facing, following the issuance of the Section 114 notices.** This includes a forecast of £1.5m costs of Government-appointed commissioners and £1.2m increased audit costs as a result of the statutory recommendations, and the ensuing required work, that were issued to the Council by external auditors Grant Thornton on 29 September 2023.

### **Corporately Managed Budgets**

- 7.5 **The fourth element relates to corporately managed budgets.** These budgets mainly include Treasury-related costs. There is a significant forecast increase of around £16m for 2024/25 in potential costs, compared to prior budget forecasts. The increase is due to three things:
- a) the review of the Council's Capital Programme (Section 15 refers);
  - b) the reduction in forecast reserves contributions (this budget reduces the contributions that had been planned for future years in the 2023/24 budget,

which means the Council expects to hold less cash on hand in future, so will need further borrowing); and

- c) the impact of the capitalisation direction that the Council needs to balance its budget (Section 12 refers). This places a 1% surcharge on future Council borrowing from the Public Works Loan Board (excluding the Housing Revenue Account).

7.6 These budget pressures are detailed in Appendix 2A in which a breakdown of each Directorate's budget have been provided.

## 8 Inflation

8.1 Inflation assumptions are calculated on an individual cost centre basis, depending on the type of budget. There are three broad categories of inflation:

- a) Pay Inflation – the estimated pay increase for council officers for the 2024/25 financial year;
- b) Contract Inflation – the specific assumptions made for particular types of purchase, including adults and children’s social care packages; and
- c) General Price Inflation – covering the purchase of general goods and services.

8.2 The budget pressures are calculated by updating budget forecasts for the 2024/25 and 2025/26 financial years, compared to the forecasts for those years in last year’s budget.

### Pay Inflation

8.3 The pay assumptions for the 2024/25 and 2025/26 financial years are:

**Table 2 – General Fund Pay inflation assumptions**

	<b>2024/25</b>	<b>2025/26</b>
Pay award – in base budgets	3.1%	2.0%
Pay contingency – held centrally within the Policy Contingency budget	1.9%	0.0%
Total	5.0%	2.0%
<i>Assumptions used in the 2023/24 Financial Plan</i>	2.5%	2.5%

8.4 For 2024/25, a contingency of £10m is held to mitigate the impact of the 2024/25 pay award. This contingency is also held for 2025/26. An additional contingency for 2025/26 is also held to mitigate the potential costs of a new employee pay and grading structure. These contingencies are held in the newly established central Contingency Budget, Section 11 refers.

8.5 The base pay award of 3.1% in 2024/25 and 2.0% in 2025/26 is based on the Bank of England forecasts from November 2023 for those financial years. The pay contingency reflects the potential of an above inflation pay increase for the next two financial years.

### Contract Inflation

8.6 These assumptions relate to a range of purchases where costs are not directly tied to general inflation but to particular contractual terms. This includes payments to third party providers to provide adults and children’s social care services, for which the assumptions of future contract inflation are:

**Table 3 – General Fund Contract inflation assumptions**

	<b>2024/25</b>	<b>2025/26</b>
Adults Social Care packages – used in the 2024/25 budget	6.7%	5.6%
<i>Assumptions used in the 2023/24 Financial Plan</i>	<i>0.6%</i>	<i>0.0%</i>

Children’s Social Care third party payments – used in the 2024/25 budget	7.8%	5.6%
<i>Assumptions used in the 2023/24 Financial Plan</i>	<i>0.6%</i>	<i>0.0%</i>

8.7 Inflation forecasts have been reviewed with finance teams and service leads, based on the latest analysis of future care package costs. The inflation forecasts shown above are the broad average across a range of spending categories.

### General Price Inflation

8.8 These assumptions relate to a range of general goods and service budgets. For this budget, the Bank of England Forecasts for November 2023 are being used:

**Table 4 – General Fund - General Price Inflation Assumptions**

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
April-June	8.4% (actual)	3.6%	2.1%
July-September	6.7% (actual)	3.3%	2.1%
October-December	4.6% (forecast)	3.1%	1.9%
January-March	4.4% (forecast)	2.5%	1.9%
<b>Average CPI inflation (based on Bank of England November 2023 forecasts)</b>	<b>6.0%</b>	<b>3.1%</b>	<b>2.0%</b>
<b>Assumptions used in the 2024/25 budget</b>	<b>N/A</b>	<b>9.1%</b>	<b>2.0%</b>
<i>Assumptions used in the 2023/24 Financial Plan</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>

8.9 Given that 0% general price inflation was applied to the 2023/24 budgets, during a period in which inflation was very high, the budget assumptions for 2024/25 include an uplift (equivalent to average CPI for 2023/24) to the 2024/25 average inflation rate in order to reset the base budget. Therefore, the inflation rate assumed for 2024/25 budgets is 9.1% (6.0% for 2023/24 CPI + 3.1% for 2024/25 CPI).

## 9 Savings

### 2023/24 Savings Programme

9.1 As part of the work to review and re-base existing Council budgets, in light of the ongoing difficulties that the Council faced in the delivery of its existing savings plans (as laid out in the 2023/24 Financial Plan), for the 2024/25 budget and beyond, it is necessary to **write off the entirety of the existing savings programme**. This decision is taken on the basis that:

- a) Cabinet has already agreed to write off the majority of the existing programme, based on the assessment that the savings were rated as Red or non-deliverable, in October 2023. This includes a significant portion of savings that were held against Corporate Budgets, not allocated to Directorates and with no clear plan for delivery.
- b) Since then, further review by the Section 151 Officer has identified additional savings that are at risk of non-delivery. On the basis that the majority of the savings programme is now deemed as non-deliverable, or a high risk of non-delivery, this report seeks approval to write off all of the existing savings programme, to be replaced with a new credible and deliverable savings programme.

9.2 This decision includes all savings that were included in 2023/24 budgets and any planned savings increases for 2024/25 budgets and future years. The table below summarises the budget impact of removing these savings – and therefore increasing budget pressures:

**Table 5 – Existing 2023/24 Financial Plan Savings Programme Write-offs**

	2024/25 £'000
Savings written off as Red / non-deliverable at Cabinet <b>on 12 December 2023</b>	61,319
Additional savings to be written off	7,454
<b>Total savings to be written off</b>	<b>68,773</b>

## **2024/25 & 2025/26 Savings Programme**

9.3 For the 2024/25 and 2025/26 budget, an entirely new programme of savings has been introduced. This follows extensive work with Officers, Cabinet Members and Commissioners. This work is described below.

9.4 In October 2023, Directorates were initially allocated target levels of savings to try and meet through identifying specific initiatives to reduce costs or increase income. This was based on the Net General Fund Revenue expenditure budgets by Directorate. These targets were originally for £200m of savings but, as a result of the continued work to review existing budget pressures, these targets increased over time, as described below.

### November 2023

9.5 On 14 November 2023, Cabinet received an update on the financial position for the next two financial years, including savings targets of over £200m.

9.6 During November 2023, Corporate Leadership Team (CLT) presented draft savings proposals for 2024/25 financial year. The value of these savings did not meet the savings target for 2024/25. These draft savings proposals were presented for discussions at Executive Management Team (EMT), which comprises Cabinet and CLT, on 9 November 2023 and subsequent discussion on 16 November 2023.

9.7 During November 2023, due diligence was completed on these savings proposals. This included:

- a) Checking for double counting of proposed savings across Directorates;
- b) Ensuring savings deliver for the General Fund, and understanding the potential consequential impact on Capital, Housing Revenue Account and the Dedicated Schools Grant budgets;
- c) Checking the annual phasing of savings, to ensure recurring savings are prioritised over time-limited savings which defer the problem to later years;
- d) Understanding cross-directorate consequences of service modifications, to ensure pressures are not encountered which offset proposed savings;
- e) Developing equality impact assessments for all proposals where appropriate; and

- f) Reviewing and challenging the People Services, Procurement, Legal, Risk, and Digital & Technology Services implications for all proposals.

9.8 These activities led to the removal of any unsuitable initial savings proposals and increase the savings targets.

9.9 Further, the first session of the Budget Scrutiny Task and Finish Group took place on the 20 November 2023. Part of the remit of this Group was to challenge the potential benefits and consequences of savings proposals, to feed into the budget setting process.

9.10 In order to mitigate this risk, significant further effort was required to develop additional savings proposals for 2024/25 and 2025/26. Not only to ensure the calculations were strong, but also to return Council reserves to an adequate level. This included, but was not limited to:

- a) Exploring asset sales to deliver capital receipts;
- b) A review of the Capital Programme;
- c) Opportunities for additional income generation;
- d) Mitigation of pressures;
- e) Service redesign; and
- f) Further service reductions of discretionary and non-statutory services.

9.11 On 20 November 2023, the Chief Executive and Section 151 Officer extended the timeline for development of further savings proposals to 24 November 2023 to support the delivery of a balanced budget. This included an additional savings target of an extra £50m due to the above re-basing exercise.

9.12 To achieve this, the following activities were delivered during the week commencing 20 November 2023:

- a) Due Diligence of Savings/Pressures – In order to develop and challenge the currently presented savings proposals, a team of Director and Assistant Director level Officers across Council Management provided challenge to savings proposals;
- b) Development of Credible Savings Proposals – Corporate Leadership Team Directors scrutinised their savings against the following key areas:

- i. Additional Savings Proposals – Savings proposals were cross referenced against the following items, identified through joint Officer and Member engagement, to ensure they were full and complete: Early Intervention and Prevention, Corporate Services, Customer Services, Cost of Service Failure, Spending Controls, Trading Accounts and Traded Services, Agency and Interim Staff, Partnership Working, Transformation leveraging Oracle, Maximising Grant Funding and savings via Procurement
- ii. Service Review Sessions – Review and challenge sessions, undertaken by a cross-service panel of experts of Assistant Directors across all services in the Council were delivered to challenge the deliverability of savings. This included challenge on the basis of the saving, whether it was an efficiency, service reduction, or income generation; the focus of the Directorate on efficiency savings or service cuts; the credibility of each saving for delivery; the consideration given to cross-cutting savings; the identification of a Senior Responsible Officer (SRO) for delivery and accountability; and the savings profile and timeline over which delivery would be achieved.
- iii. Cross-Cutting Savings Development – A Director led group developed cross-cutting savings opportunities. As the target is increasing for the next two financial years, cross-cutting savings were considered to be additional to the savings identified to date. The target for this work was £50m deliverable from the 2024/25 financial year on a recurring basis.

9.13 As a result of this work, on 24 November 2023 new savings proposals were submitted to the Section 151 Officer, Chief Executive, and Commissioners. These savings proposals totalled £106m for the 2024/25 financial year and an additional £31m of savings in the 2025/26 financial year.

9.14 These savings figures fell short of the savings targets for 2024/25 and 2025/26. Consequently, further work was undertaken up to Friday 1<sup>st</sup> December 2023 (inclusive) to develop additional savings for the 2024/25 financial year.

9.15 To do this, Directorates sought to bring forward further cross-cutting savings, options to address further non-statutory spend, revise inflation assumptions, and replace proposals previously rejected as not credible or deliverable. These savings areas were:

- a) Additional cross-cutting savings – Additional due diligence has been completed on these savings to ensure their credibility before adding to the total savings figure. The cross-cutting savings identified would need to be allocated to, accepted and owned by Directorates, who will be responsible for delivery and realisation within the 2024/25 and 2025/26 financial years.
- b) Public Health Grant– through a one-off release of reserves over three financial years, between 2024/25, 2025/26 and 2026/27. Reserves have been identified with Directorates needing to allocate budget to the identified grants to realise savings. This was subject to further due diligence and sign off from the Director of Public Health
- c) Opportunities identified via a Member Led Review of budget lines – the lines identified provided a list of items to cross-reference against savings opportunities, to ensure all budget lines were reviewed as part of the savings process.
- d) Opportunities identified via an Officer Led review of Statutory and Non-Statutory Services – Non-statutory services led to a list of potential additional services to be explored in the savings process.
- e) Opportunities identified through a Review of Spend Control Board Rejections – All items rejected in the 2023/24 financial year were reviewed and provided a list of further savings opportunities to explore and cross reference against submissions.

#### December 2023

9.16 By Friday 1 December 2023, the Council had identified £149.8m savings for the 2024/25 financial year. This was submitted to Commissioners, with supporting detail on the savings, delivery, risks, and mitigations.

9.17 The key activities in December were:

- a) Following the submission of savings for the 2024/25 financial year to Commissioners, further due diligence was required to validate the constituent savings within the submission. Further work was completed during this week to assess the deliverability of savings, risks identified, and mitigations associated with risks.

- b) In addition, during the week commencing 4 December, three Budget Scrutiny Task and Finish Group sessions were completed to review the savings identified up to Friday 24 November 2023. Savings were presented by Corporate Leadership Team (CLT) Directors, alongside Finance Business Partners (FBPs) and Heads of Service. A cross-party group of Elected Members provided challenge to savings proposals, with Directorates taking away feedback to be addressed in future submissions.
- c) On Friday 8 December 2023 a series of Budget Assurance Forums commenced, with the Leader, Cabinet Member for Finance and Resources, and the relevant Cabinet Member hosting challenge sessions with CLT Directors, FBPs, and Managers responsible for delivery of the saving. In addition, relevant Commissioners have attended these sessions to provide feedback on savings proposals and identify further savings opportunities.
- d) Further sessions of the Budget Assurance Forums were delivered during week commencing 11 December 2023, broken out by relevant Cabinet Member portfolio.
- e) In addition, a further Budget Scrutiny Task and Finish Group was arranged to challenge the savings proposals which bridged the gap between 24 November 2023 and 1 December 2023 savings submissions.
- f) In addition to this, initial Directorate engagement sessions were held, to ensure Directorates were aware of potential staffing implications within the savings proposals for their Directorate.
- g) Further sessions of the Budget Assurance Forums were delivered during week commencing 18 December 2023, split by relevant Cabinet Member portfolio.
- h) In addition, CLT were tasked with identifying further 2025/26 savings, with a deadline of 19 December 2023. A meeting between CLT and Commissioners was held on 20 December 2023 where a selection of these new 2025/26 savings were presented.

9.18 Necessarily, due to the timelines to complete all the work to deliver a budget for 2024/25, the challenge process has been undertaken at pace. The following high-level themes came out of the review and challenge exercise:

- a) A number of the proposals were found to have assumed a full year effect of the savings in 2024/25. These have been challenged and rephased where appropriate.
- b) Cross-cutting savings have been part of the process. The majority of these are now assigned to service level budgets (to avoid the mistakes of the 2023/24 savings programme in which savings were held corporately and not assigned to Directorates). Cross-cutting savings must be accepted at a Directorate level to be deliverable.
- c) Proposals regarding use of Public Health Grant funding to support service area expenditure on eligible activity have been reviewed with teams looking to establish in more detail what the funding would be applied to. This was reviewed by the Director of Public Health and discussions held with the Office for Health Improvement and Disparities, to ensure that the proposals met relevant criteria.

9.19 **The most substantial risk arising from the review is the dependency on delivery and grip of savings by Directorates.** While services have explained and stood by the deliverability of their savings, Directorates are responsible for implementing the necessary actions in full, on time and to scale in order to deliver the savings put forward. The accountability for the achievement of the savings rests with Directors and Managers responsible for delivery. The Commissioners commented as follows on the December 2023 Financial Update Report, “Going forward, every budget-holding officer must not overspend without reporting a viable compensating saving. If this is not possible, delegated authority to spend will need to be withdrawn”.

#### January 2024

9.20 At this point, it was considered that further detail was required to give the necessary assurances that clarity of the savings, risks and mitigations, actions required, timelines, dependencies and the potential impact on other service areas had been fully thought through and could be explained and demonstrated.

9.21 In response to this, further information was requested in the form of a draft Delivery Plan for each proposal. Presentations of the top 12 proposals by value were then conducted with a question and answer session with the Commissioners as part of this review.

- 9.22 At the instruction of the Section 252 Officer, a further 27 proposals were reviewed at sessions held by officers with invites extended to relevant Cabinet members and senior officers. Through both these further sessions, approaching 80% of the value of potential savings for 2024/25 has been closely scrutinised. A number of changes were made as a consequence, with alterations made to the draft delivery plans, proposed saving profiles, and some removed upon identification of double-counting with other proposals or where the proposal conflicted with the proposed corporate treatment of capital receipts.
- 9.23 Throughout January 2024, significant scrutiny was carried out on the detailed savings proposals. This included the member Budget Scrutiny Task and Finish Group, which comprised of the Chairs of all Overview & Scrutiny groups and included a cross-party representation meeting during the week commencing 8 January.
- 9.24 The Finance & Resources Overview & Scrutiny Committee has provided a report with feedback on the savings proposals. This is considered separately at this meeting.
- 9.25 Following feedback, further budget assurance sessions were held in late January 2024 that included the Chief Executive, the Section 151 Officer, the Cabinet Member for Finance and Resources and the relevant Directors and Cabinet Member, focusing on high risk savings and finalising Delivery Plans.

#### February 2024

- 9.26 Finally, during the course of February, the delivery plans for all savings were scoured to identify any costs associated with the implementation or ongoing maintenance of the savings. Any costs netted off the savings were then provided for separately as pressures or growth and the gross savings recognised so that these could be properly monitored over the coming year. Also, a discussion between Commissioners and City Operations officers identified some savings which were potentially undeliverable and would therefore need substitutes, along with a significant ongoing structural overspend in the Waste service which needed to be addressed. Further work by the directorate led to a revised list of savings which was then scrutinised by a panel of officers and cabinet members and refinements made before being added into the overall savings programme.

## Summary of the 2024/25 and 2025/26 Savings Programme

9.27 The process to develop this proposed savings programme has been carried out to mitigate the issues experienced with the 2023/24 savings programme, which demonstrated a lack of accountability and a lack of clear Delivery Plans.

9.28 **Table 6** below sets out the summary value of savings proposed by each Directorate. While it may appear that there is only a low level of cross-cutting savings in the coming year (being contract re-procurement savings), a number of savings put forward by Directorates do depend on cross-council support in order to deliver, such as those which lead to a reduction in the number, and cost of, council-run premises. Collaboration, communication and effective project management will therefore be critical in the successful delivery of the savings programme in 2024/25 and 2025/26. As has already been mentioned, work will need to continue to identify further savings in order to address the budget gap in 2025/26, as set out in **Table 1 above**.

**Table 6 – Summary of 2024/25 and 2025/26 Savings Programme**

<b>Directorate</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>
Adult Social Care	23,709	52,861
Children & Families	52,228	63,231
City Housing	6,236	9,536
City Ops	39,268	57,111
PPS	8,365	11,150
SEP	2,447	2,597
Council Management	16,512	24,395
Cross-cutting	1,000	5,207
<b>TOTAL</b>	<b>149,765</b>	<b>226,088</b>

9.29 It should be noted that there are £4,640k of savings that have been applied to Collection Fund income forecasts for Council Tax and Business Rates (savings No. 7 and No. 10 in Appendix 1). The remaining £145,125k for 2024/25 and £221,449k for 2025/26 are set against the General Fund budget in Table 1.

9.30 Overall, the process to develop these savings gives greater confidence in the organisation's ability to deliver. The officers and directors proposing these savings are more confident in the credibility and deliverability of these savings proposals. This will be important over the coming months – while the reviews undertaken and the governance processes proposed have or will play a key part, ultimately the savings proposed (if decided upon) will only deliver if the necessary action is undertaken on the part of the service areas, with help as required from the Council's back office support services. This includes the £20m savings implementation budget, held within the Contingency budget for the year (Section 11 refers).

9.31 A full list of the savings proposals for 2024/25 and 2025/26 can be found at Appendix 1.

## 10 Resources

10.1 This Section deals with the Council's sources of income: government grants, other income (from a range of sources, including fees and charges), Council Tax and Business Rates.

### Government Grants

10.2 There are two main categories of grant:

- a) Those used to fund wider Council services (e.g., Top Up Grant, Business-rates related Section 31 grants, Top Up Grant); and
- b) those ringfenced to fund specific services (e.g., the Social Care Grant, Public Health Grant). These allocations were announced by DLUHC as part of the provisional Local Government Finance Settlement in December 2023.

10.3 The additional grant income shown in Table 1 above relates to corporately held grants, or grants that have gone towards reducing budget pressures. The allocation is as follows, following the final Local Government Finance Settlement in February 2024:

**Table 7 – 2024/25 Summary of the Council's Corporate Grant Allocation**

Grant	24/25 Planning Forecast (from 2023/24 Financial Plan) £'000	24/25 Funding allocation £'000	Movement £'000
Social Care Grant	106,475	138,630	32,155
Adult Social Care Market Sustainability & Improvement Fund	21,631	24,471	2,840
Adult Social Care Discharge Fund	9,520	15,810	6,290
New Homes Bonus	1,350	3,006	1,656
Service Grant	14,488	2,300	(12,188)
Small Business Relief Grant	91,801	99,653	7,852
National Levy Surplus	3,004	0,000	(3,004)
Local Council Tax Support Admin Grant	2,085	0,000	(2,085)
Business Rates Multiplier Cap Grant	59,744	65,849	6,105
<b>Total</b>	<b>310,098</b>	<b>349,719</b>	<b>39,621</b>

- 10.4 The Social Care Grant is held corporately and then assigned against pressures in Adults and Children's Social Care. Included in the grant allocation for the 2024/25 year only is an additional (and one-off) allocation of £11.630m that was awarded to the Council on 5 February 2024 as part of the final Local Government Finance Settlement. This additional funding will be held in the Strategic Reserve (Section 11 refers) to mitigate against any additional budget pressures in Adults and Children's Social Care that may arise in the 2024/25 financial year.
- 10.5 For the majority of Council grants, the grant is matched to the expected expenditure, resulting in a net zero impact on the budget gap shown in **Table 1. Table 7** above shows the impact of grants that do impact the budget gap – i.e. can be used to cover a range of general pressures. It should be noted that the Adult Social Care grants would normally result in a net zero impact, usually through payments to third party providers. For this financial year, some elements of these grants have been used to fund existing pressures, such as social care worker retention payments.
- 10.6 The full list of grants that the Council expects to receive for the 2024/25 financial year is included in Appendix 4 for information.

#### Other Income

- 10.7 Within Table 1, the 'Other Income' line includes income from a range of sources including, fees and charges, sales and rents:
- a) The budget movement of £10.7m represents an expected underachievement on income budgets (i.e. the Council expects to get less income than previously budgeted for, so is reducing income budgets compared to the prior year). This includes a reduction in budgeted income from buildings (of £4.0m for 2024/25, rising to £9.0m in 2025/26) to reflect the fact that asset sales will be made throughout 2024/25; a £2.3m expected reduction in parking income (relative to 2023/24 budgets); and reduced income budgets in other areas including Digital Services (£1.9m), trade waste income (£1.9m) and planning income (£1.2m).
  - b) This lost income is offset by a forecast £3.0m additional Enterprise Zone Contribution to General Fund for 2024/25 and 2025/26 to help with the Council's General Fund budget gap. Cabinet is being asked to approve this contribution (Section 17 refers).

- c) The level of fees and charges to be charged by the Council is to be determined by the City Council at the meeting on 5 March 2024. The proposed fees and charges for the 2024/25 year are included in Appendix 9 of this report.

### Council Tax

10.8 The Council Tax income yield is dependent upon the accuracy of the forecasts held within this Budget report. This includes:

#### Forecast Council Tax income

- a) **The Council Tax Taxbase (i.e. the number of eligible homes)** – this forecast includes estimates of the number of new homes to be built in the city, the estimated number of homes eligible for discounts / exemptions from Council Tax and the number of claimants under the Council Tax Support Scheme. The Council Tax forecast for the 2024/25 budget is based on the forecast of 267,940 Band D equivalent properties for 2023/24, which was approved by Cabinet at its meeting on 16 January 2024.
- b) **The assumed levels of collection** – it has been assumed that the percentage of Council Tax that will not be collected is 2.6% for the 2024/25 budget forecast. This is a 0.3% improvement on the 2.9% assumed level of collection within the 2023/24 budget. This improvement is expected as a result of work in the Revenues and Benefits Service to employ additional staff to enforce outstanding council tax debts. This is shown in Saving No. 10 in Appendix 1.
- c) **The Council Tax Rate** – this report proposes an increase of 9.99% for the 2024/25 financial year. This recommendation will be put forward to City Council on 5 March 2024 for final approval.
- d) As part of the final [Local Government Finance Settlement](#), published on 5 **February** 2024, the Government has given the Council the ability to increase Council Tax, as follows:

“Birmingham City Council has requested flexibility to increase council tax bills by an additional 5%. The Government has expressed ongoing concern about the significant financial mismanagement at the Council and has launched a five-year intervention to tackle its serious financial and governance problems. It is disappointing that Birmingham City taxpayers are having to foot the bill for the Council’s poor governance and decision making. Whilst the Government will not oppose this request given the seriousness of the circumstances, any decision to increase council tax is solely one for Birmingham City Council, who should have taken into account the pressures that people in Birmingham are currently facing on living costs. The Government is of course conscious of the effect on local taxpayers, particularly those on low incomes, of having to foot part of the bill for these Councils’ very significant failings. We have been clear to each of the Councils that in implementing any additional increases, they should take steps to mitigate the impact on those least able to pay.”

- e) Therefore, the Council Tax requirement for 2024/25 assumes a general increase in the City Council, Council Tax Element of 9.99%, inclusive of a 2% precept relating to Adult Social Care. This increase reflects the severity of the Council’s budget deficit, as laid out in this report and the Section 25 Report of the Section 252 Officer, and the recognition that additional income is required to help balance the budget, alongside the significant programme of savings (as set out in Appendix 1).
- f) The additional increase of 5% (for a total increase of 9.99% compared to the previous year) is estimated to raise £21.8m of additional income.
- g) The flexibility to charge the Adult Social Care precept in addition to the general amount of Council Tax was extended by Government in recognition of the ongoing financial pressures on adult social care services. The precept is estimated to raise £8.7m of additional resources to support adult social care investment.
- h) The Council Tax requirement of £480.419m (excluding parish precepts and Enterprise Zone growth) is divided by the Council Taxbase for the year of 267,940 to give a band D Council Tax for Birmingham Council of £1,793.01 (excluding Police, parish, and Fire precepts). This figure is converted to the amount payable by properties in other valuation bands by applying a set

multiplier, to arrive at the charge citizens will pay for Council services. Further details will be laid out in the meeting of the City Council on 5 March 2024 for formal approval of the Council Tax charges for the 2024/25 financial year.

- i) For 2025/26, this budget report also assumes a 9.99% increase in Council Tax rates in 2025/26, based on the flexibility granted by Government. In total, the forecast Council Tax increases are forecast to raise a total of £61.2m (compared to the baseline assumptions of 4.99% increase in 2024/25 and a 1.99% increase in 2025/26).

Impact on Council Tax Bills

- j) The formal approval of the Council tax charge for the 2024/25 financial year will be put forward to City Council on 5 March 2024.
- k) However, for information purposes for Cabinet, it is worth noting that the impact on the basic amount of Council Tax for City Council services is:

**Table 8 – Proposed basic amount of Council Tax for City Council services for the 2024/25 year**

Band	Birmingham Excluding Parishes 2023/24 £	Birmingham Excluding Parishes 2024/25 £	% increase from 2023/24 to 2024/25	Weekly increase from 2023/24 to 2024/25 £
A	1,086.77	1,195.34	9.99%	£2.09
B	1,267.90	1,394.56	9.99%	£2.44
C	1,449.03	1,593.79	9.99%	£2.78
D	1,630.16	1,793.01	9.99%	£3.13
E	1,992.42	2,191.46	9.99%	£3.83
F	2,354.68	2,589.90	9.99%	£4.52
G	2,716.93	2,988.35	9.99%	£5.22
H	3,260.32	3,586.02	9.99%	£6.26

- l) The impact of the proposed increase, for a Band D home, is an increase of £3.13 per week, with a Band B at £2.44 increase per week.
- m) It should be noted that this charge is not the final charge that residents will see on their council tax bills. The final charge will include the additional precepts for the West Midlands Fire and Rescue Authority and the West Midlands Police and Crime Commissioners. These precepts are set separately to the Council and not subject to the same increase as the basic amount above. These proposed charges are:

**Table 9 – Proposed Council Tax charge for the 2024/25 year**

<b>Band</b>	<b>Council Tax Areas without a Parish Council £</b>	<b>Council Tax New Frankley in Birmingham Parish £</b>	<b>Council Tax Royal Sutton Coldfield Town £</b>
A	1,389.17	1,417.97	1,422.48
B	1,620.70	1,654.30	1,659.56
C	1,852.23	1,890.63	1,896.64
D	2,083.76	2,126.96	2,133.72
E	2,546.82	2,599.62	2,607.88
F	3,009.87	3,072.27	3,082.04
G	3,472.93	3,544.93	3,556.20
H	4,167.52	4,253.92	4,267.44

- n) **These figures are shared in draft and for information.** Further details are included in Appendix 2B. The final Council Tax resolution will be shared in the report to the City Council meeting on 5 March 2024.

*Council Tax deficit for the 2024/25 financial year*

- o) Where councils have been unable to collect outstanding Council Tax in a year, this shortfall usually becomes an adjustment to the Council's overall income in the financial year following collection. For 2023/24, the Council Tax deficit has been estimated to be £4.2m – this was driven by a larger than expected number of discounts and reliefs claimed by residents and an increase in overdue payments that are expected to be written off (“bad debt provision”).

*Additional premiums for empty homes*

10.9 On 11 May 2022, the Government issued a policy paper which outlined the intention, as part of the Regeneration Bill, to introduce a new discretionary council tax premium on second homes of up to 100% in addition to the existing base line charge.

10.10 In practice, this would mean that properties which are furnished but not an individual's primary residence would attract a 200% Council Tax charge. The policy paper also allowed Local Authorities to bring forward the existing empty homes premium and apply a Council Tax premium of 100% to properties which are unfurnished and have been empty for more than one year.

10.11 The current regulations state that properties need to be unfurnished and empty for two or more years to attract the premium. The policy also states that the Authority can use its own discretion to waive the premium where a property is actively on the open market for sale or rent. The proposed legislation (currently awaiting Royal Assent) requires Local Authorities to make the decision to charge these premiums twelve months in advance of the effective date.

10.12 The legislation was introduced on 26 October 2023 in the Levelling up and Regeneration Act 2023. Further regulations will be made to specify exemptions which will be adopted.

### Business Rates

10.13 The Business Rates income yield is dependent upon the accuracy of the forecasts held within this Budget report. This includes:

#### Forecast Business Rates income

- a) **Rateable value of the businesses in the city:** The Valuation Office Agency (VOA) provided the City Council with an updated version of the valuation list as at 24<sup>th</sup> November 2023. This has been used in calculating the Business Rates income projection. The Government continues to set the Business Rates multiplier which determines the level of Business Rates that each business pays. The Council has forecast the levels of growth, appeals and non-collection that are expected to occur in 2024/25. This forecast is based on developments that are ongoing, planning approvals that are in place and expected to be completed in 2024/25 and further growth from the identification of additional rateable value as a result of external partnership work being carried out in order to maximise Business Rates Income.
- b) **Collection rates:** In any year a proportion of the billed Business Rates may not be collected; for example, if a business goes liquidation. The City Council has made an assumption of 1.6% for non-collection for 2024/25. This compares to the assumption of 2% made in years prior to Covid-19. This improvement is expected as a result of work in the Revenues and Benefits service to employ additional staff to enforce outstanding council tax debts. This is shown in Saving No. 10 in Appendix 1. Should this collection rate be improved, the resulting surplus will become available to assist in budget setting in future financial years

and should this collection rate not be achieved the resulting deficit will be reflected in future budget setting.

- c) **Expected number of appeals:** Each year appeals are made against the rateable value of properties as determined by the Valuation Office Agency. Appeals that are upheld are backdated to the beginning of the ratings list period, or when the change in circumstances came into existence if later than this date. It is prudent for the Council to make an assumption about the level of successful appeals that will be made each year and set aside adequate provision for repaying appeals. The council is assuming that these will be £21.9m, which is in line with the 2023/24 budget.
- d) **Expected number of reliefs (i.e. discounts on business rates):** as announced at the provisional Local Government Finance Settlement in December 2023, the Government continues to provide a package of measures to support small businesses during 2024/25 along with additional support to eligible retail, leisure and hospitality premises. This will reduce the level of Business Rates income generated within the city. An estimate of £43.6m for additional support to eligible retail, leisure and hospitality premises, excluding Designated Areas (the existing Enterprise Zones, and two new zones, the Birmingham Knowledge Quarter and East Birmingham and North Solihull Growth Zone) has been included in the 2024/25 business rates forecast, although detailed guidance notes of the scheme are yet to be published by the Government. Government compensates the Council for the lost income from these reliefs in the form of a Section 31 unringfenced grant (i.e. can be spent any services that the Council chooses; not ringfenced for a particular service), as described in the grants section of this report (Appendix 4 refers).
- e) After allowing for these measures, the Council's total projected retained income for 2024/25 from Business Rates is expected to be £435.6m. This is an increase of £24.7m when compared with 2023/24. In addition, the Council expects to receive compensatory grants of £165.5m which is an increase of £14.0m when compared to 2023/24. Taking this into account, overall income from Business Rates related funding is expected to be £601.1m as summarised in the table below.

- f) This is an increase of £38.7m or 6.9% when compared with 2023/24 and is largely a £6.4m decrease in the estimate for losses in collection, a £16.3m increase in the Designated Area Baseline due to new zones expected to commence in 2024/25 and a £14.0m increase in compensatory grants, mainly due to funding to compensate for the Business Rates Multipliers not being fully increased in line with inflation. (It is worth noting that, if these new zones had not been included in the forecast, then gross rate yield would have been higher.) The forecast for the 2024/25 financial year is set out in the table below.

**Table 10 – Forecast Business Rates Income**

	2023/24	2024/25	Movement
	Council Areas (excluding Enterprise Zones) £'000	Council Areas (excluding Enterprise Zones) £'000	Council Areas (excluding Enterprise Zones) £'000
<b>Gross Rate Yield after Reliefs and Growth</b>	<b>439,420</b>	<b>441,713</b>	<b>2,293</b>
Estimate of Losses in Collection	(13,569)	(7,163)	6,405
Designated Area Baseline less Allowance for Cost of Collection	11,059	27,324	16,265
Allowance for Appeals and Prior Years Adjustments	(21,897)	(21,897)	0
<b>Net Rate Yield</b>	<b>415,013</b>	<b>439,976</b>	<b>24,963</b>
<b>99% of Business Rates to be retained by Birmingham</b>	<b>410,863</b>	<b>435,577</b>	<b>24,714</b>
Net Section 31 Grants budgeted for	151,545	165,502	13,958
<b>Total Resources Including Funded Reliefs</b>	<b>562,408</b>	<b>601,079</b>	<b>38,671</b>

- g) The value of Business Rates growth over and above a pre-determined baseline expected to be collected from the Designated Areas (i.e. Enterprise Zones) is required to be calculated separately from the Council's element of total income as this resource is ring fenced in its entirety to the Designated Areas.

**Business Rates deficit for the 2024/25 financial year**

- h) The overall Business Rates deficit to be charged to the Collection Fund is £60.7m. The Council's share of this is £60.1m, the remainder being split across the other preceptors for whom the Council collects tax (West Midlands Fire Service and the West Midlands Police and Crime Commissioner). The overall deficit of £60.7m can be split into two elements: The 2022/23 Outturn was £22.5m worse than forecast when setting the 2023/24 budget, and the 2023/24 Outturn is forecast to have a deficit of £38.2m.
- i) The 2022/23 deficit in comparison with the original forecast was mainly caused by two issues:

- i. Provision for Bad Debts £12.5m deterioration – The overall collection rate was lower than anticipated due to the Cost of Living crisis and issues with the implementation of the Oracle ERP Finance and HR system also delayed enforcement action.
- ii. Provisions for Appeals £11.5m deterioration – In the last few months of the financial year, there was a very large increase in the number of appeals lodged. The Council had to provide for these at Outturn.

In 2023/24, the Council sought independent advice from LG Futures, who are experts in Collection Fund accounting, to provide a forecast position, and agreed the forecast with them. This forecast was a £38.2m in year deficit. This deficit largely related to the Appeals Provision.

It was agreed to use a new methodology for the Appeals Provision where the Council uses the estimate of provision needed calculated by Analyse Local. It is felt that this independent calculation will be more accurate than internally generated estimates, given their expertise in this area. The impact of this was a forecast deficit of £36.6m.

#### Ring-fenced Business Rate Zones

- j) The Council is forecasting to receive £436m in Business Rates income across the entire city in 2024/25, with an anticipated rise to £456m by 2025/26. Business Rates income alone is larger than the corporate grants received by the Council as part of the final Local Government Finance Settlement, a total of £350m for the 2024/25 financial year (see Table 7).
- k) Therefore, there is a strong incentive for the council to plan for and achieve growth in the Business Rates tax base (i.e. increase the number of businesses paying tax in the city). Business Rates income is a particularly significant for the Council as it retains 100% of business rates and as a result of this arrangement does not receive revenue support grant.
- l) If additional areas of the city are ringfenced for growth initiatives, such as the arrangements proposed under the WMCA Single Settlement for newly created Investment Zones and Levelling Up or Growth Zones, future Business Rates income growth will be retained for investment in those particular areas and will not be available to the Council as income to pay for services.

m) A review of the growth experienced in existing zones and the growth projected across the new zones clearly shows a level of anticipated new income that is not directly linked to the new investment but can be said to be inherent in an economically expanding city. For that reason, the Council will aim to capture a fair proportion of any Business Rates income uplift in future. A proposal to capture additional income for the Council is included in Section 16.

10.14 Top Up Grant – alongside Business Rates income, the Council will receive a Top Up Grant for the 2024/25 financial year. This will be £73.3m for the 2024/25 financial year. The reason that the Council receives this grant is that the expected level of Business Rates income (known as the Business Rates baseline) is lower than the expected level of income that the Government expects the Council to generate (known as the Baseline Funding level).

#### Levies & Precepts

10.15 The Transport Levy and contribution towards other costs of the West Midlands Combined Authority are included within the Council's revenue budget (see Appendix 2A).

10.16 The Resolution to the City Council concerning overall Council Tax levels includes the amounts for the various precepts. These are as follows:

- a) Fire & Rescue Authority;
- b) West Midlands Police and Crime Commissioner;
- c) New Frankley in Birmingham Parish Council; and
- d) Royal Sutton Coldfield Town Council.

## 11 Reserves

### 2024/25 Reserves & Balances Policy

- 11.1 The Council's Reserves & Balances Policy has been completely reviewed (Appendix 3 refers). The new proposed Reserves & Balances Policy is consistent with the latest guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA). This is the CIPFA Bulletin 13 – Local Authority Reserves and Balances (updated in March 2023).
- 11.2 The Council's policy on reserves makes clear that reserves are not to be used to avoid the necessity to make ongoing savings or meet budget pressures other than in exceptional circumstances. Reserves can only be used on a one-off basis, which means that their application does not offer a permanent solution.
- 11.3 It should be noted that there are three significant changes proposed to the Reserves and Balances Policy for the 2024/25 financial year:
- a) Recommended levels of General Fund Balances: To ensure consistency with CIPFA guidance, it is planned to increase the level of the General Fund Balance. This reserve acts as a corporate contingency to cushion the impact of unexpected events or emergencies. It also provides a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. In prior years, the reserves policy was to hold 4.5% of net expenditure in reserve for any given year. For 2023/24, the General Fund balances were held at 4.1% of net expenditure. This year, the Section 151 Officer proposes to increase General Fund balances to 5% of net expenditure for the 2024/25 and 2025/26 financial years (and will maintain this policy in future years).
  - b) Creation of the Strategic Reserve: Previously, the Council has held a large number of small reserve pots to cover a range of policy earmarks. This process has been confusing and not well-managed. To improve the governance around the reserves, it is proposed to create a "Strategic Reserve". This reserve will replace the previous corporate reserves (Delivery Plan Reserve, Financial Resilience Reserve and Budget Smoothing Reserve). It will also bring together a range of other previously earmarked reserves. A full list of the proposed reserves to be amalgamated into the "Strategic Reserve" are included in

Appendix 3. To access the new “Strategic Reserve”, any request will have to be formally approved by Section 151 Officer and approved at Cabinet.

- c) Amend the process for accessing reserves: to access the Strategic Reserve, any request will have to be formally approved by the Section 151 Officer and approved at Cabinet. It should be noted that any reserve spending for future years, even if it has received prior approval (through the Section 151 Spend Control board or previously) will need to come back to the Section 151 Officer for approval.

11.4 The Council’s Reserves and Balances policy is included in Appendix 3.

### **Reserves Forecast**

11.5 It should be noted that the Reserves forecast below does not include the impact of the potential Equal Pay claims. These costs are covered by the Capitalisation Direction described in Section 12 of this report. The Council has requested EFS to enable it to protect its existing reserves.

11.6 It should also be noted that reserves balances from prior years may change when the external audits of the accounts 2020/21 and 2021/22 are finalised.

11.7 At the start of the 2022/23 financial year, the Council held reserves (earmarked and unearmarked) totalling £1,071.7m. During 2022/23, subject to approval and audit, there was a net use of £268.4m of reserves, leaving a closing balance of £803.3m.

11.8 During 2023/24, there is a forecast net use of reserves of £129.2m, leaving a forecast closing balance of £674.0m, however as stated above, this is before the impact of provisions for potential Equal Pay liabilities.

11.9 The summary movement in reserves is shown in Table 11 below. This shows the movement in reserves between the planned figures for the 2023/24 and 2025/26 financial years, including planned contributions to and from reserves and balances.

**Table 11 – 2024/25 Reserves and Balances Forecast**

<b>Analysis of Reserves - 2024/25 to 2025/26</b>			
<b>Description</b>	<b>31/03/2024</b>	<b>31/03/2025</b>	<b>31/03/2026</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>General Reserves and Balances</b>			
Corporate General Fund Balance	38,382	57,546	57,546
Strategic Reserve	105,204	116,834	116,834
<b>General Reserves and Balances</b>	<b>143,586</b>	<b>174,380</b>	<b>174,380</b>
<b>Schools Reserves</b>	<b>83,945</b>	<b>83,945</b>	<b>83,945</b>
<b>DSG Reserves</b>	<b>15,989</b>	<b>15,989</b>	<b>15,989</b>
<b>Public Health Reserves</b>	<b>13,580</b>	<b>10,402</b>	<b>5,844</b>
<b>Earmarked Reserves</b>			
<b>Earmarked reserves: Contractual commitments</b>			
Highways PFI	189,646	189,646	189,646
Other Contractual Commitments	3,634	3,634	3,634
<b>Total Contractual commitments</b>	<b>193,280</b>	<b>193,280</b>	<b>193,280</b>
<b>Earmarked reserves: Planned Future Revenue &amp; Capital Expenditure</b>			
Bus Lane Enforcement Income	9,655	9,655	9,655
Clean Air Zone	51,998	45,840	34,908
Community Recovery Plan Reserve	529	529	529
Corporate Major Events	500	500	500
Covid-19 Council Tax Hardship Fund Reserve	1,000	1,000	1,000
One-off resources from previous years	1,294	761	761
S31 Grant Reserve	(8,860)	0	0
Other Grant Reserves	116,743	94,036	76,211
Other Earmarked Reserves	12,851	11,059	11,359
<b>Total Planned Future Revenue &amp; Capital Expenditure</b>	<b>185,709</b>	<b>163,380</b>	<b>134,923</b>
<b>Earmarked reserves: Specific Risks</b>			
Business Rates Volatility Contingency	15,160	15,160	15,160
Cyclical Maintenance	13,067	16,157	19,247
Insurance Fund	6,120	7,931	9,742
Other Risk Reserves	799	799	799
<b>Total Specific Risks</b>	<b>35,146</b>	<b>40,047</b>	<b>44,948</b>
<b>Earmarked reserves: Other</b>			
Other Reserves	2,813	2,813	2,813
<b>Total Other</b>	<b>2,813</b>	<b>2,813</b>	<b>2,813</b>
<b>Total Earmarked Reserves</b>	<b>416,949</b>	<b>399,520</b>	<b>375,964</b>
<b>Total Reserves</b>	<b>674,048</b>	<b>684,236</b>	<b>656,121</b>

11.10 The reserves forecasts in this report have regard to the current forecasts for the 2023/24 financial year. An updated forecast for the 2023/24 financial year (as at Quarter 3) will be presented to Cabinet in March 2024. However, to be prudent, the potential use of reserves is included in the budget forecast.

11.11 Table 12 shows the movement in reserves forecast for the 2024/25 financial year.

It should be noted that, for the purposes of the General Fund budget, it is only the use of corporate reserves that impacts the overall budget gap in Table 1. That is because use of corporate reserves impacts the Council's overall corporate reserves balance and its ability to fund other potential reserve requests. The movement in corporate reserves of £7.269m below represents an increase in the budgeted contribution to reserves in 2024/25 compared to the budgeted contribution to reserves made in 2023/24.

11.12 Table 12 also shows that there was a budgeted use of Directorate reserves of £36.042m in 2024/25. This budgeted use does not impact the Council's overall budget gap – it impacts funding already set aside for specific Directorate purposes.

**Table 12 – Movements in Reserves for the 2024/25 financial year**

	2023/24* £'000	2024/25 £'000	Movement £'000
Contribution to Capital Fund (Revenue Reserve)	275	0	(275)
Contribution to General Fund Balance	0	19,164	19,164
Business Rates Volatility Contingency	0	0	0
Section 31 Grant	32,400	8,860	(23,540)
Corporate Contribution to/ (Use of) FRR Reserve	16,664	11,550	(5,114)
Use of FRR Reserve to fund World of Work and Youth Employment Initiative	(1,449)	0	1,449
Policy Contingency Reserve	(531)	(533)	(2)
Contribution to/(Use of) Delivery Plan Reserve	2,999	0	(2,999)
Income Compensation re Collection Fund	(7,827)	0	7,827
Use of Budget Smoothing Reserve	(8,259)	0	8,259
Cyclical Maintenance Reserve	1,800	3,090	1,290
Contribution to Social Care Reserves	0	0	0
Insurance Fund	2,000	2,000	0
Education PFI Reserve-corporate (use of)/contribution	917	2,098	1,181
Other Repayments to Reserves	971	0	(971)
(Use of)/Contribution to Grant Reserves to support corporate position	(1,000)	0	1,000
<b>Sub total Corporate (uses of)/contributions to Reserves</b>	<b>38,961</b>	<b>46,230</b>	<b>7,269</b>
Education PFI Reserve-directorate (use of)/contribution	(1,481)	(2,098)	(617)
Insurance Fund-reduction in contribution by Directorate	(189)	(189)	0
Directorate repayment to FRR Reserve	971	80	(891)
(Use of)/Contribution to Grant Reserves	(23,983)	(25,885)	(1,902)
(Use of)/Contribution to Other Earmarked Reserves	(170)	(7,950)	(7,780)
<b>Sub total Directorate (uses of)/contributions to Reserves</b>	<b>(24,852)</b>	<b>(36,042)</b>	<b>(11,190)</b>
<b>Total (Use of)/Contribution to Reserves</b>	<b>14,109</b>	<b>10,188</b>	<b>(3,922)</b>

\* This is the original planned use of Reserves as per the Financial Plan 2023/24

## Use of Reserves

11.13 Table 11 above assumes a net contribution to Reserves of £10.2m. Details of planned reserves uses and contributions are summarised here:

**Table 13 – Planned Uses of Reserves in 2024/25**

	Forecast Closing Balance (31st March 2024) £'000	2024/25 planned (use) / contribution to Reserves £'000	Total £'000
General Fund Balance	38,382	19,164	<b>57,546</b>
Strategic Reserve	105,204	11,630	<b>116,834</b>
Schools Reserves	83,945	0	<b>83,945</b>
DSG Reserves	15,989	0	<b>15,989</b>
Public Health Reserves	13,580	(3,178)	<b>10,402</b>
Earmarked Reserves	416,948	(17,428)	<b>399,520</b>
<b>Total</b>	<b>674,048</b>	<b>10,188</b>	<b>684,236</b>

## Strategic Reserve

11.14 From the end of the 2023/24 financial year, the following reserves are to be merged into one new Strategic Reserve: the Delivery Plan Reserve (DPR), the Financial Resilience Reserve (FRR), and the Budget Smoothing Reserve into one new Strategic Reserve.

11.15 There will also be a transfer into this reserve of Directorate reserves that have been reviewed and recommended to be centralised on the basis that ongoing pressures should be included in base budgets and existing reserve spend is not needed. The full list of reserves to be centralised into the Strategic Reserve is:

**Table 14 – Directorate Reserves to be centralised into the Strategic Reserve**

Reserves centralised	£'000
Policy Contingency (Mgmt Capacity for Change)	4,867
Capital Fund - Financial Control	20,260
Waste Management Outage	2,000
Covid Reserve	203
Leasing Smoothing - Reallocation	801
Income Compensation re Collection Fund	2
Corporate Major Events	500
Delivery Plan Programme Management Reserve	1,810
Council House Refurbishment Reserve	2,325
Highways Commuted Sums	183
Highways Initiatives	557
Permanent Loss of Parking Bays (Car Parking Commuted Sums)	72
Highways - Bridge Agreements	314
Highways - Interest on Compensation	175
Major Events (Subvention)	217
Parks Pool Cyclical Maintenance	1,250
Museums Repair and Maintenance	82
Hostile Vehicle Mitigation	20
Neighbourhood Action Co-Ordinators	194
Windrush	50
Celebrating Communities	80
Finance Birmingham Loan Contingency	1,001
Schools HR IT	297
Benefits Service Transformation	1,819
ITDS Transition Reserve	569
Customer Service Access Strategy Programme Project Support	1,320
Business Improvements complaints programme	175
Tech Refresh Lancaster Circus	594
To fund additional complaints staff in Customer Services	378
Cyber Security Programme	1,590
Future Major Events Reserves	1,096
BCL Accommodation Move Reserve	65
Birmingham Audit - Statement of Recoveries	50
People Services - Apprentice Levy Cfwd	15
CWG Legacy Portfolio - Earmarked Reserve	27,871
Technology road map	936
Portfolio Reserve	489
Graduate Hub	138
Invest to Save - Central Admin Buildings	600
Invest to Save - Public Hubs	531
Health & Safety Surveys	400
Route to Zero	421
Apprentice	233
<b>Grand Total</b>	<b>76,550</b>

11.16 There are no planned uses of the new combined Strategic Reserves in 2024/25 as set out in the table below. However, there is a planned contribution of £11.630m to the Strategic Reserve. This represents the Council's additional Social Care Grant allocation for the 2024/25 financial year from the final Local Government Finance Settlement in February 2024 (as noted in Section 11). This will be held in the Strategic Reserve to cover unforeseen cost pressures across Adults and Children's Social Care:

**Table 15 – Planned Uses of the Strategic Reserve**

	£'000
<b>Opening Balance as at 1st April 2023 (FRR, Delivery Plan Reserve, and Budget Smoothing Reserve)</b>	<b>137,540</b>
Use of FRR in 2023/24 re MRP	(3,000)
Use of FRR to fund World of Work and the Youth Employment Initiative	(1,449)
Contribution to FRR in 2023/24	16,333
Net repayment to FRR in 2023/24	4,302
Use of FRR to fund forecast 2023/24 overspend	(115,127)
Funding of Transformation activities across the Council from DPR	(2,250)
Funding of other Transformation projects in Children and Families from DPR	(750)
Funding of other projects in Children and Families from DPR	(815)
	0
Forecast Net Repayment of DPR	5,999
Planned use of Budget Smoothing Reserve in 2023/24	(8,259)
Transfer in of other available reserves	76,550
<b>Subtotal Forecast Balance - Strategic Reserve - as at 31st March 2024</b>	<b>105,204</b>
Contribution to Strategic Reserves in 2024/25	11,630
<b>Forecast Closing Balance as at 31st March 2025</b>	<b>116,834</b>

### General Fund Balance

11.17 The General Fund Balance will be £38.4m at 1 April 2024. It is planned to transfer £19.2m into it in 2024/25, in order to bring the value of the reserve up to £57.5m. This represents 5.0% of the Council's net General Fund budget, in line with the updated Reserves and Balances Policy (Appendix 3). There is no planned use of the General Fund Balance in 2024/25. It is planned in future years to transfer further sums into the General Fund Balance when required to maintain it at 5.0% of net General Fund Budget because, due to current budget forecasts, the net expenditure

budget for 2025/26 is forecast to be lower than the net expenditure budget for 2024/25.

#### Schools Reserves

11.18 In 2024/25, there is no planned use of Schools' reserves and the balance remains the same at £83.9m.

#### Dedicated Schools Grant (DSG) Reserves

11.19 In 2024/25, there is no planned use of DSG reserves and the balance remains the same at £16.0m.

#### Public Health Reserves

11.20 In 2024/25, there is a planned use of £3.2m of Public Health reserves and the balance is expected to reduce from £13.6m to £10.4m.

#### Earmarked Reserves

11.21 In 2024/25 it is proposed to make a net use of £17.4m of earmarked reserves comprising the following:

**Table 16 – Net Use of Earmarked Reserves**

<b>Uses of Earmarked Reserves</b>	<b>£'000</b>
Use of Syrian Refugees Reserve	(696)
Use of Better Care Fund Grant Reserves	(5,500)
Use of Domestic Abuse Support Grant Reserves	(1,700)
Use of Section 106 Grant Reserve by Children & Families	(2,499)
Use of CRSTS Capacity Fund Ringfenced for Transportation Revenue	(636)
Use of Clean Air Zone (CAZ) reserve to fund projects	(6,158)
Use of Policy Contingency Reserve	(533)
Use of Homes for Ukraine Reserve	(2,433)
Use of Fairer Futures Reserve	(7,000)
Use of Challenge Funds Reserve	(1,000)
Use of Revenues NDR Project Reserve	(1,100)
Net Uses of other grant and earmarked reserves.	(3,381)
<b>Subtotal Uses of Earmarked Reserves</b>	<b>(32,636)</b>
<b>Contributions to Earmarked Reserves</b>	
Net Repayment to Section 31 grant reserve from Business Rates Collection Fund surplus/deficit related to Government reliefs	8,860
Contribution to Cyclical Maintenance Reserves	3,090
Contribution to Insurance Fund	1,811
Contribution to Local Election Costs cyclical reserve	300
Contribution to Afghan Resettlement Reserve	1,147
<b>Subtotal Contributions to Earmarked Reserves</b>	<b>15,208</b>
<b>Total (Use)/Contributions to Earmarked Reserves)</b>	<b>(17,428)</b>

Contingency Budget (formerly known as the Policy Contingency Budget)

11.22 Separate and distinct from reserves, the 2024/25 budget includes a Contingency budget. The Contingency budget is held centrally and not allocated to services at the start of the financial year. It is retained to protect against unplanned expenditure or when the costs of certain decisions which may be taken during the course of the financial year become clearer. Allocations will be made to services only after the demonstration of need and are subject to review and approval by the Section 151 Officer, with the exception of allocations from the Capitalisation Contingency which will be approved by Cabinet.

**Table 17 – Contingency Budget proposed allocation for 2024/25**

<b>Contingency Budget</b>	<b>£'000</b>
Capitalisation Contingency	25,000
Improvement Plan	20,000
Inflation Contingency	11,642
Apprenticeship Levy	1,399
Highways Maintenance	1,300
Council Tax Support Scheme	1,020
Community Empowerment Fund	1,000
Costs to Deliver Corporate Landlord Operational Property Savings	500
Procurement Rebate Contingency	300
Flood Defence Contingency	50
<b>Total Contingency excluding savings</b>	<b>62,211</b>
Procurement Contract savings to be allocated	(1,000)
<b>Total Contingency Budget</b>	<b>61,211</b>

11.23 This budget includes the following allocations:

- a) Capitalisation contingency – this budget is held as a buffer against two things:
  - 1) the potential additional unforeseen borrowing costs as a result of the capitalisation direction requested by the Council; and 2) the non-delivery of savings in Section 9 and Appendix 1. It provides the Council with some ability to smooth the impact of delayed savings in the 2024/25 financial year.
- b) Improvement plan – this funding will enable the Council to undertake the plans required to deliver the proposed savings programme for the 2024/25 financial year.
- c) Inflation contingency – this includes a £10m contingency for an additional pay award (if the award for 2024/25 is above forecast inflation) as well as other contingencies for pension fund and highways inflation.
- d) Apprenticeship levy – funding to cover costs incurred by directorates.

- e) Highways maintenance – contingency requested to cover potential overspends.
- f) Council Tax Support scheme – this includes additional contributions to residents that are already in receipt of partial Council Tax support. This contribution essentially covers the additional increase in Council Tax proposed in this budget
- g) Community Empowerment Fund – this Fund will be used to support and empower local communities as the Council enters into a period of transformation. Our citizens will be critical to that journey and the fund will be used to support activities that: boost civic pride; mitigate the impacts of the cost-of-Living crisis; increase volunteering; improve community cohesion; promote wellbeing and encourage active lifestyles and; protect the local environment including public open spaces.
- h) Corporate Landlord costs – additional investment required to deliver the Corporate Landlord savings (Saving no. 214 in Appendix 1).
- i) Flood defence contingency – to ensure the Council has funds available for the potential impact of flooding in the 2024/25 financial year.
- j) Procurement rebate – this is an investment to enable the delivery of the newly-proposed procurement saving (Saving no. 188 in Appendix 1).
- k) Procurement savings – these are held centrally and will be allocated to Directorates in the 2024/25 financial year, based on expected procurement activity.

## **12 Exceptional Financial Support for Birmingham City Council**

12.1 The Council is currently in a position where it is unable to present a balanced budget without seeking Exceptional Financial Support (EFS) from Government. The scale of the Council's EFS request has now been finalised and submitted to DLUHC for approval, to enable the setting of a balanced budget for 2024/25.

12.2 The Council's request for EFS seeks support from Government to provide alternative arrangements that would allow the Council to close the budget gap and set a balanced budget. This request comes in the form of a "capitalisation direction" to enable the Council to close the budget gap.

12.3 A capitalisation direction allows the Council to treat revenue costs (and therefore the additional funding required to balance the General Fund revenue budget for the 2024/25 financial year, as shown in Table 1) as if they were capital costs. Once capitalised, these costs will sit within Capital budgets, not Revenue budgets. The Council can opt to finance these costs by selling assets and generating a capital receipt (of which more below). It should be noted that:

- a) Without a capitalisation direction, councils are not permitted to sell capital assets (usually buildings) and use the money (capital receipt) to fund expenditure on services budgets (revenue expenditure). This money, based on accounting conventions, is ringfenced to spend on capital projects through the Council's capital programme. However, as part of a capitalisation direction, Government can allow the council to use capital receipts to cover the budget shortfall as the revenue expenditure will have been capitalised, allowing it to be treated as capital expenditure.
- b) The Council has committed to a significant programme of capital asset disposals to help finance the overall EFS request. Further detail is laid out in Section 15 as part of the Council's capital programme.
- c) Further, it should be also noted that due to the Council's current financial challenge, that this EFS requests includes the request to capitalise significant additional costs in relation to potential Equal Pay liabilities.

12.4 A capitalisation direction is a last resort for councils seeking to balance their budgets. This request is usually time-limited and exists for long enough for the council in question to bring their Capital Financing Requirement back to balance (i.e.

to pay for the additional costs incurred as part of the capitalisation direction), usually through a combination of asset disposals and budget savings. Further, Government will only agree EFS in the form of Capitalisation for one financial year at a time, and as such the Council would need to request an additional EFS if this was required to close a budget gap for the 2025/26 financial year.

12.5 In addition to the capitalisation direction, the Council's request for EFS also covers the following elements:

- a) The estimated costs of a redundancy programme, linked to the delivery of the overall savings programme (as laid out in Appendix 1)
- b) The estimated costs of potential Equal Pay liabilities
- c) An EFS Contingency, to address items which not known, or could not have been known, at the time of setting this budget. This cannot be used to fund any spend which was identified at the start of the financial year, nor can it be used to address missed savings.
- d) Seeking permission from the Secretary of State for Levelling Up, Housing and Communities to increase Council Tax above the current referendum threshold of 4.99% without the need for a local referendum. The Council has sought permission to increase Council Tax by a total of 9.99% for each of the 2024/25 and 2025/26 financial years.

12.6 To enable the City Council to vote on a balanced budget, the Council has sought an EFS request of £225.9m to mitigate the current budget gap for the 2024/25 financial year, as shown in Table 1.

12.7 This request was formally submitted to DLUHC in January 2024. It is expected that the Secretary of State will issue a "minded to" letter in advance of the City Council meeting on 5 March to enable the City Council to vote on a balanced budget. Following this "minded to" letter, the Secretary of State will issue a formal capitalisation direction to come into force for the 1 April and the start of the 2024/25 financial year.

12.8 Therefore, in advance of the EFS request being agreed by the Secretary of State, the Cabinet are being asked to agree and recommend to the City Council the proposed budget, assuming that this request is agreed in time for the City Council meeting.

### **13 2024/25 Housing Revenue Account Budget**

13.1 The HRA Self Financing Framework was introduced from April 2012 (as part of the Localism Act 2011), and this required local authorities to maintain a long term HRA Business Plan. This Business Plan was approved by Cabinet in January 2024.

13.2 In November 2023 the Government confirmed its intention to revert the rent policy for 2024/25 to CPI+1%. With October CPI at 6.7%, this allows the Council to increase social rents to a maximum of 7.7%. Service charges are updated following a review of the services provided and to reflect changes in costs of service delivery due to pay and price inflation. There is a continuation of the existing policy to fully recover the cost of rechargeable services to tenants.

13.3 The full and balanced funding, borrowing and expenditure plan is set out in the HRA Business Plan and rent setting paper approved by Cabinet in January 2024, following an in-depth planning review carried out by the City Housing Directorate, Finance and independent advisors. Further details are set out in Appendix 5.

### **14 2024/25 Dedicated Schools Account Budget**

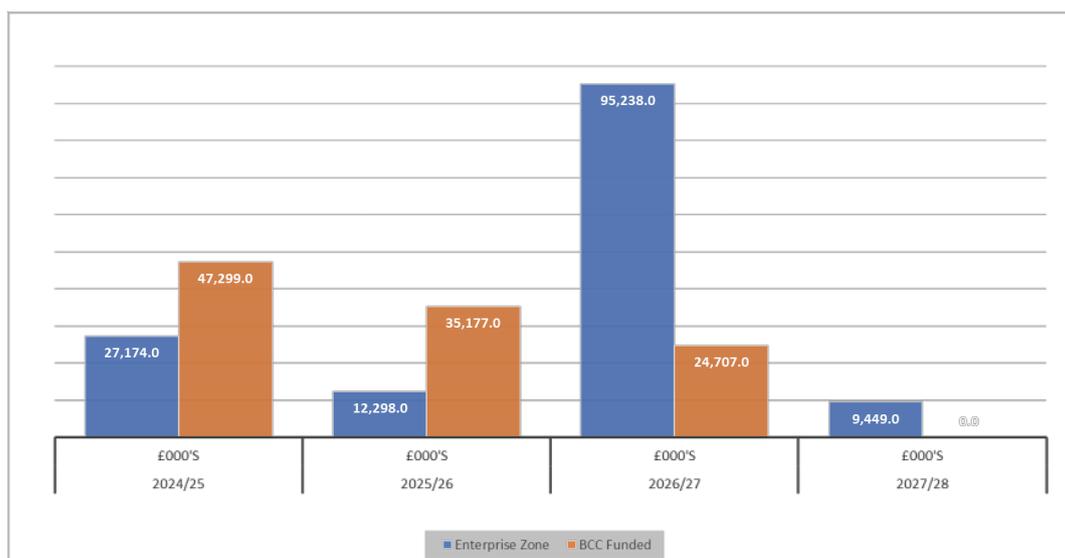
14.1 Schools receive funding via a variety of different streams, the main ones being the four blocks of the Dedicated School Grant (DSG), Pupil Premium, Education & Skills Funding Agency (ESFA) Post 16 Funding and Universal Infant Free School Meals.

14.2 DSG is the main funding stream for schools and education services. The Birmingham City Council (BCC) allocation of DSG announced by the Department for Education (DfE) 19 December 2023, is £15bn for 2024/25. Further details are set out in Appendix 6.

## **15 2024/25 to 2027/28 Capital Programme & Strategy**

- 15.1 The Capital Strategy sets out how the Council aims to use its resources to support corporate priorities and objectives and identifies the main influences for the capital programme.
- 15.2 The main objectives of the Capital Strategy include supporting the Council's vision and priorities, support service delivery strategies and support asset management plans for Council assets.
- 15.3 In recognition of the financial situation of the Council, the scope for council funded capital investment is extremely restricted. A key feature of this Capital Strategy is for capital investment to support the Council's Financial Recovery Plan. This will be achieved by maximising external funding and minimising the use of council resources that impact on the General Fund, in particular borrowing.
- 15.4 A review of the Capital programme and future immediate needs has been undertaken.
- 15.5 In the medium term the Strategy aims to bring General Fund borrowing to nil (by end of 2026/27). In the short-term General Fund borrowing will be restricted to revenue saving initiatives, capital receipt generation and a small amount of essential or contractually committed projects. This has resulted in a significant reduction in the previous General Fund capital programme that is not funded by external resources.
- 15.6** The graph below shows planned Prudential Borrowing for the General Fund split between Enterprise Zone and General Fund funded projects for the periods 2024/25 to 2027/28. It demonstrates how prudential borrowing falls from £47.3m in 2024/25 to nil in 2027/28 (non EZ related programmes).

**Table 18 – General Fund Prudential Borrowing 2024/25 to 2027/28**



15.7 The four-year Capital Programme 2024/5 to 2027/8 totals £1,797.7m. The programme includes provision for:

- a) Investment in Council housing through the HRA of £1,088.1m. The HRA Capital Investment Programme is entirely funded from the ring fenced HRA account. The Investment Programme is driven by a long term HRA Business Plan;
- b) £350.6m on roads and transport infrastructure;
- c) Continuing commitment to the funding of development in the Enterprise Zone totalling £137.2m over the next four years, including investment to enable Birmingham to get the most out of the HS2 Curzon railway station;
- d) £70.2m for the Waste Management Service Strategy including replacement vehicles, depot refurbishment and weekly food collection infrastructure;
- e) £52.5m in Adult Social Care including Independent Living; and
- f) Major investment in Education and Skills of £86.5m.

15.8 Following a recent review, the Flexible Use of Capital Receipts programme has been reduced significantly. The programme now has plans to fund the capitalisation of revenue reform costs of £13.8m in 2024/25 (£14.4m identified for financial year 2023/24).

15.9 Further details on the Capital programme are included in Appendix 7 of this report.

### Weekly Food Waste Collections

15.10 The provision of separate weekly food waste collections will come into effect for households from 1 April 2026, as required under s45A of the Environmental Protection Act 1990. The Department for Environment, Food and Rural Affairs has allocated initial capital grant funding of £6,825,450 to the council to support the introduction of weekly food waste collection based on allocations below:

- a) Kitchen caddies (plus spares): £955,500
- b) Kerbside caddies (plus spares): £1,762,950
- c) Communal wheel bins (plus spares): £526,500
- d) Vehicles (plus spares): £3,580,500

15.11 In addition, transitional resource funding will be provided from the 2024/25 financial year as well as ongoing resource / revenue funding from 1 April 2026. Further clarification is awaited from DEFRA on these additional funding allocations. Detailed implementation planning for the introduction of separate weekly food waste collections will take place as part of the waste transformation programme that is currently being developed. This will include due diligence to assess the level of investment needed to introduce separate food waste collections across the whole city and whether additional resources, for implementation or ongoing operations, are required. This will be progressed through relevant governance as appropriate.

15.12 This decision is coming to Cabinet for formal approval for inclusion in the capital programme. This proposal does not impact any of the existing savings put forward for the 2024/25 financial year.

## 16 2024/25 Treasury Management Strategy and Policy

16.1 The 2024/25 Treasury Management Strategy takes account of the Council's current financial position and sets out its Treasury needs for the year and the interest rate outlook, in accordance with the Treasury Management Policy.

16.2 The Strategy aims to minimise the cost of borrowing to the Council whilst balancing its security and liquidity risks.

16.3 Although borrowing for General Fund capital projects is restricted to the minimum, the Council's gross loan debt is forecast to increase in forthcoming years due to significant investments required for the Housing Revenue Account.

16.4 The Loan Debt forecast that flows from the Capital programme as set out in Section 15 of this report is set out below and the required additional borrowing to meet that debt requirement:

**Table 19 – Borrowing Requirements for 2024/25 to 2027/28**

	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Forecast gross loan debt	3,605,500	3,727,800	3,812,300	3,904,400
Cash balance required	(100,000)	(100,000)	(100,000)	(100,000)
Forecast net loan debt	<b>3,505,500</b>	<b>3,627,800</b>	<b>3,712,300</b>	<b>3,804,400</b>
<i>of which:</i>				
Existing loans outstanding at year end	3,243,500	3,124,700	2,967,900	2,741,900
Cash balance required	(100,000)	(100,000)	(100,000)	(100,000)
Required new/ replacement loan balance (cumulative)	362,000	603,200	844,300	1,162,500
	<b>3,505,500</b>	<b>3,627,800</b>	<b>3,712,300</b>	<b>3,804,400</b>

16.5 Previously, the Council used a balanced borrowing strategy that maintained a proportion of short term or variable rate loan debt with long term or fixed rate borrowing in order to seek an appropriate balance between the risks of variable rate and fixed rate borrowing. However, within the context of the Improvement and Recovery Plan and the general availability of short term loans, the Council is likely be restricted to longer term fixed rate loan debt to meet its borrowing requirements as part of this strategy. Any short term loans available will be considered within the prudential limit for variable rate exposures.

16.6 Based on this Strategy, Table 20 summarises, for the Council as a whole, the new long term and short term borrowing proposed to fund the new or replacement required borrowing each year:

**Table 20 – Proposed Borrowing Strategy for 2024/25 to 2027/28**

<b>Cumulative new borrowing:</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Total long term loans	361,000	603,000	843,000	1,112,000
Total short term loans	1,000	200	1,300	50,500
<b>New / replacement loan required</b>	<b>362,000</b>	<b>603,200</b>	<b>844,300</b>	<b>1,162,500</b>

16.7 The Council is expected to raise capital receipts for the whole capitalisation direction, thereby eliminating the need to borrow. The likely conditions of EFS will be that any further borrowing must be obtained from the PWLB and will be subject to a premium above the rate the loan would otherwise be subject to, for as long as the Council's Capital Financing Requirement (CFR) includes amounts related to the capitalisation direction. These conditions are not likely to be required for borrowing in relation to the HRA. In addition, the Council will need to make annual provisions for the repayment of any borrowed amounts as part of the capitalisation direction, in line with its MRP policy or further Government directions, if any.

16.8 The Treasury Management Strategy, Treasury Management Policy, Service and Commercial Investment Strategy, Debt Repayment Policy and the Prudential Indicators are included in Appendix 8 of this report.

## **17 Enterprise Zone voluntary income contribution**

- 17.1 The Greater Birmingham and Solihull Enterprise Zone was set up in 2012, a £1bn investment plan, extended in 2017 to run until 2045/46. Within this zone all uplift in Business Rates is captured and ringfenced to accelerate economic growth by unlocking development sites and attracting private sector investment.
- 17.2 The Enterprise Zone (EZ) covers 113 hectares across 39 sites in the City Centre and the EZ Investment Plan 2019 has a strategy to deliver a phased programme of £1.2bn value of projects by 2046. All Business Rates growth generated within an Enterprise Zone is to be kept and used by the relevant Local Enterprise Partnership and local authorities to reinvest in local economic growth.
- 17.3 The Local Enterprise Partnerships were dissolved in the 2022 White Paper and within Birmingham, the GBSLEP EZ programme transferred to Birmingham, under a DLUHC-approved assurance and governance structure managed by the Enterprise Zone Partnership Board comprising private and public sector partners.
- 17.4 The ringfenced Business Rates income due to the EZ, whilst providing investment and economic growth for the city does not make a direct financial contribution to the Council's budget. The business rates attributable to the EZ geography are excluded from the total business rates which contribute approximately 25% of the total revenue. Now in year 13 of the EZ investment plan, increased business rates over and above the retained baseline are not entirely attributable to EZ direct investment, albeit there will have been some additional growth attracted by early tax incentives and stimulated by adjacent investment. There is consequently a level of economic growth within the city that is inherent, would have occurred, potentially at a slower rate but without the EZ incentive
- 17.5 Therefore, this proposal assumes that, from 2023/24 financial year and for the life of the EZ (to 2045/46), the first £3m of the net surplus will accrue to the Council and the second £3m will accrue to the EZ reserve. The annual net surplus balance will then be split 50:50. The final split will be calculated in arrears following close-down of the accounts.
- 17.6 This calculation is to be backdated to commence from year one of the EZ (2013/14) and thus the accumulated balance (noting that £3m may not have been achievable each year) to be paid to the Council, at a time that is affordable to the EZ, totals £5.8m. The projections of the share are to be forecast on a 5-yr rolling basis. The

share recognises that the City Council stands behind the borrowing risk on the EZ and the 50% amount retained within the programme continues to provide a buffer reserve to manage any variations over and above the provisions already scheduled.

17.7 In 2024/25, the Council will invest and contribute to the acceleration of economic growth through continued spend on approved construction projects, through its transport network investment and in addition through spend on housing, skills and training. The contribution of funds from the EZ to the Council Revenue Budget will be utilised to directly and indirectly deliver economic benefit to the City.

## **18 Options Considered and Recommended Proposal**

18.1 During this budget process, a range of options have been considered, particularly with regard to the proposed savings programme. This budget seeks to balance the needs to protect discretionary services for residents with the need to move towards a balanced budget by the end of the 2025/26 financial year.

## **19 Consultation**

### ***Internal***

19.1 Relevant Cabinet Members, Directors and the City Solicitor have been consulted in the preparation of this report and the budget for the 2024/25 financial year.

19.2 The savings proposals have also been scrutinised by members in detail, as laid out in Section 9 of this report.

19.3 The input from Scrutiny Committees into this budget process, and the response from the Council, is included as a separate report to this meeting.

19.4 Trade Union Consultation is underway as required by s188 of the Trade Union and Labour Relations (Consolidation) Act 1992, on potential redundancies, which it is envisaged may arise as a result of the proposed budget savings in this Report. This consultation sets out the proposed employee reductions that are anticipated following the downsizing (or in some cases ceasing) of services and teams and was shared with Trade Union colleagues on 13th December 2023.

19.5 It is proposed to mitigate against compulsory redundancies, by agreeing a Targeted Voluntary Redundancy scheme with the Trade Unions. The Targeted Voluntary Redundancy scheme will be made available to those employees where it is anticipated that services will be downsized (or in some cases cease). Should further redundancies be required, then the Council may carry out a compulsory redundancy scheme, whereby each directorate will provide a business case outlining the posts that are affected taking into account those posts that have already been deleted through the Targeted Voluntary Redundancy scheme.

### ***External***

19.6 Section 65 of the Local Government Finance Act 1992 requires the Council each financial year to consult persons or bodies representative of business ratepayers about expenditure proposals.

19.7 The council must make available the information described in the Non-Domestic Ratepayers (Consultation) Regulations 1992/3171, including:

- a) Details of proposals for expenditure in the financial year to which the consultation relates;
- b) Estimates of expenditure in the preceding financing year; and
- c) Particulars of significant changes in the level of proposed expenditure between the two years.

19.8 More than 30,000 businesses were invited to the business ratepayer meeting held on 24 January 2024. This included invites through the Business Improvement Districts and Birmingham Chambers of Commerce. Of those invited, 134 businesses agreed to attend and 43 attended including The Mailbox, Birmingham and Solihull Integrated Care Board and businesses from across Birmingham. There was no feedback from the audience on the budget revenue or capital spending. Questions were asked about Council Tax rises, support for small businesses and also if a list of assets due to be sold would be released to the public.

19.9 Other specific consultation exercises have and will take place where the Council is subject to a duty to consult, and in limited circumstances where the council, although it is not subject to any duty to do so, has chosen to do so.

## **20 Risk Management**

20.1 Creating this budget involved balancing risks, clarifying uncertainties, and mitigating potential impacts of volatility.

20.2 Assumptions made in this report have been examined for risks and variability in order to mitigate impacts, as far as is practicable. Estimates of expenditure and income have been made on a prudent basis, informed by previous experience, the latest available evidence in the current financial year, market forces and service intelligence. An assessment of, and arrangements for, the management of the Council's principal budget risks is set out in the Section 25 statement, presented separately to Cabinet at this meeting.

## **21 Compliance Issues:**

### **21.1 Legal Implications**

- a) Local authorities are subject to statutory duties to ensure that their financial management is adequate and effective and that they have a sound system of internal control and management of financial risk. This report sets out the basis upon which a recommendation will be made for the adoption of a lawful budget and the basis for the level of the council tax for 2024/25.
- b) Section 25 of the Local Government Act 2003 imposes a duty on an Authority's Chief Finance Officer to make a report to the Authority for it to take into account when it is considering its budget and funding for the forthcoming year. Members will find the Section 25 Report of the Section 151 Officer on the agenda for this meeting. This outlines the Council's current and anticipated financial circumstances, including matters relating to the General Fund budget, the HRA, the capital programme and borrowing and expenditure control.
- c) Section 26 of the Act gives the Secretary of State power to set a minimum level of reserves for which an authority must provide in setting its budget. There is an ongoing need to prepare for contingencies including maintaining sound risk management and a level of reserves which enables the authority to be prepared to deal with risks, contingencies, and its future strategic vision.
- d) The Local Government Finance Act 1992 requires local authorities to balance their budget. The setting of the budget and council tax by Members involves their consideration of choices as to spending. No realistic options should be dismissed without proper consideration and Members must also consider their fiduciary duty to the council taxpayers of Birmingham.
- e) Where the Council is subject to a mandatory duty to provide a service, it would not be lawful to fail to discharge that duty. Where there is discretion as to how a discretionary power is to be exercised or as to the manner in which a mandatory duty is to be discharged, that discretion must be exercised reasonably. There will need to be appropriate consultation where the Council is subject to a duty to consult, as well as compliance with the public sector equality duty.

- f) Under the constitutional arrangements, the setting of the council budget is a matter for the council, having considered recommendations made by the Cabinet.
- g) Before the final recommendations are made to the Council, the Finance Overview and Scrutiny Committee must have been given the opportunity to scrutinise these proposals and the Cabinet should take into account its comments when making those recommendations.
- h) For the 2024/25 financial year, the Council requires Exceptional Financial Support from Central Government to enable a balanced budget to be set. This will need to come in a letter from the Secretary of State for Levelling Up, Housing and Communities in advance of the City Council meeting on 5 March, to enable a vote on a balanced budget for the 2024/25 financial year.

### **21.2 Financial Implications**

- a) The financial implications of the budget for the 2024/25 financial year are set out in this report.

### **21.3 Procurement Implications**

- a) The implementation of proposals set out in this draft budget report will need to be managed in accordance with the appropriate procurement governance arrangements.

### **21.4 Human Resources Implications**

- a) The impact of the new savings proposals will result in staff redundancies. The Council will take all necessary steps to minimise the number of redundancies. The costs of these redundancies forms part of the request for Exceptional Financial Support from DLUHC.

### **21.5 Public Sector Equality Duty**

- a) The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps

to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

- b) After more than a decade of significant budget savings, it is difficult to make new savings without any impact on residents. There will inevitably be some impact on particular groups, including those with protected characteristics as defined by the Equality Act. The Council is not legally obligated to reject savings with negative impacts on any particular groups but must consider carefully and with rigour the impact of its proposals on the Public Sector Equality Duty, take a reasonable and proportionate view about the overall impact on particular groups and seek to mitigate negative impacts where possible.
- c) The need for an individual Equality Impact Assessments (EQIA) has been considered for all the budget savings proposals and where assessments are deemed necessary these are set out in full at:  
<https://www.birmingham.gov.uk/EqualityImpactAssessments>. These demonstrate that the Council has met its duties under the Equality Act 2010 and has taken account of its duties under the Child Poverty Act 2010
- d) A summary corporate EIA assessment of the budget proposals was completed on 8 February 2024 and is attached as Appendix 10. This report is based on data extracted from the individual EIAs completed by Directorates uploaded to the Council's SharePoint site as of February 2024. This document is only a summary and does not replace the individual specific EIAs, which decision-makers must read before making their decision.  
<https://www.birmingham.gov.uk/EqualityImpactAssessments>.

## **22 Appendices**

Appendix 1 – Savings proposed in 2024/25 and 2025/26

Appendix 2A – General Fund Revenue Budgets – overall and by Directorate

Appendix 2B – Council Tax Requirement

Appendix 3 – Reserves & Balances Policy

Appendix 4 – Grants appendix (summary of government income from grants)

Appendix 5 – Housing Revenue Account

Appendix 6 – Schools & Dedicated Schools Grant

Appendix 7 – Capital Strategy

Appendix 8 – Treasury Management Strategy, including:

- Appendix 8A: Treasury Management Policy
- Appendix 8B: Service & Commercial Investment Strategy
- Appendix 8C: Debt Repayment Policy
- Appendix 8D: Prudential indicators

Appendix 9 – Fees and charges

Appendix 10 – Summary Corporate Equalities Impact Assessment (to follow)

## **23 Background Documents**

23.1 Council Taxbase Report, approved by Cabinet 17 January 2023

23.2 Finance update to Cabinet in November 2023

23.3 Finance update to Cabinet in December 2023

23.4 Finance update to Cabinet in January 2024

23.5 Linked to the Fees & Charges Appendix 9:

- Council's Fees & Charges guidance – [Fees and Charges guidance | Birmingham City Council Portal](#)
- REVIEW OF LICENSING SERVICE FEES AND CHARGES 2024/2025 – 15 November 2023 ([Document.ashx \(cmis.uk.com\)](#))
- Minutes for this meeting at Item 4 of 17 January 2024 LPPC meeting at <https://birmingham.cmis.uk.com/birmingham/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/13535/Committee/5/Default.aspx>
- REVIEW OF LICENSING AND PUBLIC PROTECTION FEES AND CHARGES 2024/25 – 14 January 2024 ([Document.ashx \(cmis.uk.com\)](#))

## Appendix 1 – Savings proposed in 2024/25 and 2025/26

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
<b>Adult Social Care</b>				
125	Review Care Packages to reflect a strength-based approach whilst still meeting assessed needs	This saving proposal assumes a strength-based approach whilst ensuring citizens' assessed care and support needs are met. Savings are proposed to be generated by extending existing savings programmes, maximising the offer of the third sector, reducing reliance on traditional home care by the use of equipment and technology enabled care and reviewing the provision to young people as they transition from Children's to Adults services.	5,687	10,187
126	Review of Care Centre Model	This saving proposal involves the review of the usage of the Council's Care Centres to consider options for the future use of all services considering the needs of the residents and stakeholders.	346	6,400
130	Review of Day Centre Model	This proposal will involve a review of the internal Day Opportunities offer for citizens to ensure that the internally provided Adult Social Care Day Centres are as efficient as possible and support the achievement of positive outcomes for citizens and their informal carers.	1,950	3,350

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
		Citizens will continue to have their assessed care needs met by the internal day service provision and there is no anticipated reduction to the number of existing staff.		
131	Review of the Enablement Service	This saving proposal focuses on the in-house home care service and the specialist enablement services. This proposal will review both services and consider options for how this service can be delivered as efficiently as possible and support for citizens.	1,755	5,229
134	Review Learning & Development Team external training offer	This saving proposal involves the exploration of a range of options for how this service can purchase externally statutory and essential training as well as deliver training and support for the social care workforce to deliver services as efficiently as possible for citizens and their carers.	315	567
137	Review of social work teams and improve efficiencies	This saving proposal looks to review services and reduce vacancies across social work teams.	1,501	2,233
138	Grant Maximisation - Adult Social Care	This saving proposal will generate ongoing revenue savings by maximising the use of Government grants across Adult Social Care.	3,161	4,284

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
139	Review of Shared Lives Care Packages	This saving proposal looks to expand and diversify the Shared Lives offer to citizens whilst still meeting assessed needs. This involves reducing the reliance on traditional bed-based care packages with citizens actively becoming part of a carer's home, their family, and their local community.	500	1,900
140	Review of third sector inflationary uplifts	This proposed saving looks to remove inflationary uplifts to contracted third sector providers where it is not a specified requirement within their contracts and uplifting rates for inflation is at the discretion of the Local Authority.	4,464	4,464
141	Review and Re-commission third sector contracts	This proposed saving will involve a review of vulnerable adults contracts with third sector providers that are due to end in 2024/25 with a view to recommissioning them in a manner that meets assessed needs as efficiently as possible. Part of this saving (£470k) has been achieved through a review of other commitments ending in 2023/24.	1,600	3,870
193	Neighbourhood Advice and Information Service (NAIS) and Community libraries	This saving proposes changes to the NAIS and Community Libraries services into Early Intervention and Prevention Hubs 'community living rooms'. The focus is to deliver better outcomes for citizens, have a fit for purpose offer which gets to citizens	1,260	2,285

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
		much sooner, supports self-support and self-navigation, removes avoidable demand from higher cost services, whilst delivering efficiencies and savings.		
211	Grant Maximisation - Public Health	Public Health funding has been secured for Neighbourhood Network Schemes for a period of three years. There will be no changes to the services provided under this saving and contracts with providers have been protected for a period of three years.	1,000	1,000
221	More efficient use of BCC Operational Estate - Resident Facing Community Assets	This saving proposal aims to bring together all community facing assets, targeting support to core hubs only. Spokes and non-statutory assets will be considered for transfer to the community or possibly closed. There will be engagement with communities to discuss whether community groups could sustainability take over the running of these assets.	-	2,000
223	Regulated Adult Social Care - Joint Commissioning with NHS	This proposal will build on existing plans to change the way Adult Social Care and the NHS commission the regulated provider market with the aim of driving out efficiencies for the wider health and social care system and improving the quality and consistency of services received by citizens.	-	500

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
224	Integration with partners – ASC and health	This proposed saving involves a whole system review working in partnership with the NHS service leads to capture areas that duplicate assessments or interventions when working with citizens. Both the NHS and ASC will be able to offer assessment and support services with reduced staffing levels and more efficient pathways, systems, and processes. There will be improved integrated working across Health and Social Care, better use of community assets and improved systems and processes. And greater emphasis on prevention to reduce/delay admissions into residential and domiciliary care.	-	4,300
232	Review of Bharosa Services	This saving proposes to review the funding options for this non-statutory service provided by the Council.	170	292
<b>Total Adult Social Care</b>			<b>23,709</b>	<b>52,861</b>
<b>Children &amp; Families</b>				
88	Saving on the cost of Prudential Borrowing for Schools Basic Need Projects	In order to ensure there are sufficient school places for children in Birmingham, the Children and Families Directorate was allocated £19.656m of corporate funding,	710	710

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
		<p>which would require borrowing and attract financing costs. The Children and Families Directorate have agreed £14.200m can be returned to the corporate centre. Borrowing the £14.200m would have generated a revenue financing cost of £0.710m pa. As the budget for borrowing and financing costs is held centrally, this saving will be taken from a corporate centre budget, but the initiative is being led by the Children &amp; Families Directorate.</p>		
89	<p>Services for young people (including Careers, NEET and targeted focus in youth services on preventing knife crime)</p>	<p>This proposal is to achieve savings of £2.263m from 24/25 onwards through an independent review of the careers, youth and 14-19 services, which was already planned, with the participation of staff and key stakeholders. The redesigned service will need to deliver statutory duties to support young people not in education, employment or training (NEET) and ensuring 14 to 25 access to employment, training and education (with a particular focus on excluded groups and young people with SEND). A small statutory participation function for youth consultation will also</p>	1,263	1,987

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
		remain. The review work will be completed by the end of August 2024.		
90	Commissioning of Early Help Contracts for Children, Young People and Families	This is a proposal to end direct Council funding of Early Help services for children, young people and families to deliver £8.4m of recurring savings from 24/25. If adopted, this would end contracts with voluntary, community or social enterprise organisations and the Early Help contract with Birmingham Children's Trust.	8,378	8,378
93	Children's Travel Transport Contracts Re-procurement	These savings are a result of the implementation of a framework agreement for the provision of Children and Young People's Travel Service (CYPTS) using the open procurement procedure in line with the Public Contracts Regulations (PCR) 2015.	13,700	13,700
96	Funding to Vulnerable Young People at Risk of Exploitation	This saving is a funding switch from General Fund to Public Health grant to fund existing support services for young carers, and young people who are vulnerable to criminal and sexual exploitation who are supported by the EmpowerU team.	1,476	1,376

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
98	Realigning Dedicated Schools Grant	This saving will be delivered through realigning the Dedicated Schools Grant in accordance with the terms of the grant.	1,627	2,627
146	Children's Travel Agency Passenger Assistants Re-procurement	This saving results from procuring agency passenger assistants through the new procurement framework.	148	148
147	Termination of contract for the existing Children and Young People's Travel Service (CYPTS) database	This saving is associated with ending the contract for the CYPTS database due to the introduction of an in-house database with improved functionality and better integration with ICT systems.	253	253
148	Establishment of Permanent Children's Travel Service Structure	This saving is the result of the proposed move of the Children and Young People's Travel Service to a permanent staffing structure from April 2024.	1,066	1,066
149	Optimisation of Bus Passes	This saving results from the optimisation of bus passes awarded by the Children's Travel Service	171	171
150	Review of non-statutory transport packages (Post 16)	This proposal is a review of non-statutory transport packages for Post-16 young people following a review of the travel assistance policy. Current service provision for this cohort will be reduced.	7,066	7,066
151	Passenger Assistance service re-design	This saving is a result of a service redesign of the passenger assistance team once a	1,050	1,050

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
		permanent Children and Young People's Travel Service structure is in place.		
152	Reviewing transport packages for provided to school age pupils receiving statutory school transport	This saving is due to reviewing transport packages for school age children receiving statutory school transport, and young people starting with the most historic to ensure consistent application of the eligibility criteria in the 2019 travel assistance policy.	1,963	1,963
179	Increase to Fees and Charges	Increasing fees and charges for all traded services by circa 10%.	165	165
182	Release Children & Families Transformation Reserve	Transformation reserve for Children and Families can be released by absorbing transformation activity into business as usual.	992	-
183	Release of centrally held budgets	Proposal that the budget assigned for Learning and Development (including restorative practice) for the Children and Families directorate will no longer be used. The Special Educational Needs and Disabilities Independent Advice and Support Service will be moving to a permanent structure in 2024 so a one off centrally held amount will not be required.	726	726

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
185	Reduction of contract sum for Birmingham Children's Trust	The annual contract sum will be reduced on 1 April 2024. The Trust will be required to deliver a range of savings which may include staff savings, reduction in preventative services, reductions in care costs and efficiency savings.	9,000	10,000
186	Headcount reductions in Children and Families	The Children and Families staffing structure will be reduced with four posts deleted and 32 vacancies not recruited to.	2,474	2,545
219	Children's Services efficiencies	The Children and Families directorate and Birmingham Children's Trust have been working with an external improvement partner who specialise in children's services. A detailed workplan to deliver appropriate redesign and efficiencies to be delivered from 2025/26 will be provided after six months' work with the improvement partner.	-	9,300
<b>Total Children &amp; Families</b>			<b>52,228</b>	<b>63,231</b>
<b>City Operations</b>				
13	Street lighting reduce 2m kilowatt hours - dimming and trimming	Reduction of operational levels of street lighting by 2,000,000 Kilowatt hours in order to reduce energy use and associated costs	900	900

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
14	School crossing patrols (Non-Statutory Service) - CAZ funding for 3 years	Change funding model for school crossing patrols and fund through Clean Air Zone funds	750	750
15	Local engineering (Non-Statutory Service) - amend delivery model	The Local Engineering service is a non-statutory service within Highways. The service acts as a central point of contact for local Councillors, communities and the Public on Highway related issues and manages the delivery of minor highway improvement schemes. Proposal to amend delivery model	316	474
16	Dropped kerbs – redesign to maximise efficiency and group like activity	Optimisation of service delivery and grouping like activity through multi-skilling to ensure the service is funded from the income generated by issue of Dropped Kerbs with no funding via the general fund	100	150
17	Highways specified licences – 100% self-funding – redesign to maximise efficiency and group like activity	Optimisation of service delivery and grouping like activity through multi-skilling to ensure the service is funded from the income generated by issue of Highway Licences with no funding via the general fund	209	314
18	Reduce spend on Highways maintenance	Reducing the level of planned maintenance carried out on Highways	12,000	20,000

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
19	Reduction in PFI management budget	Employee reductions following change in highways maintenance arrangements	500	750
21	Property licensing – administrative overhead and absorption rate	Overhead and absorption (central support charges and divisional overheads) for the delivery of property licensing schemes are to be activated as per original licence fee calculations. This includes Mandatory (House in Multiple Occupation) licensing and the new Selective and Additional Licensing Schemes commenced on 5 June 2023. All schemes' fees include pre calculated overhead and absorption rates within them.	900	900
22	Property licensing – optimising council delivery of support, advice and administration activity of property licensing schemes	Optimising council knowledge in delivery of support, advice and administrative activity that fall within the remit of the schemes. To be delivered via internal services with costs to be recharged into the schemes. Actual costs will be transferred from the licensing schemes to the general fund at year end.	100	100
23	Property licensing – any financial penalty resulting from enforcement to be invested into supporting further enforcement activities	Any financial penalty resulting from enforcement of the schemes is to be invested into carrying out any enforcement function in relation to the private rented sector.	-	100

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
24	Pest control – new charge for domestic rat treatments	Introduction of new charge at £20+VAT for rat in garden and rat in house treatments.	195	195
25	Additional Bulky waste income and fee increase	Increase bulky waste charge from £35 to £45	440	490
26	Additional Garden waste income and fee increase	Increase garden waste subscription charges from £50 to £60 per year.	1,200	1,200
27	Cease non statutory Waste Prevention activities	Remove the team undertaking street quality audits and neighbourhood waste contamination.	180	200
29	Move to fortnightly residual waste (non-recyclable) collection and amend early starts	Develop year 2 proposals that introduce fortnightly residual waste collection, coupled with food waste. Also change 5am start times for waste collection crews to 6am.	-	4,500
31	Introduce charging for car parks in parks	Introduce parking charges at Sutton Park, Lickey Hills Country Park and Sheldon Country Park  Preparation and capital works to take place in 2024/5 for implementation in 2025/6	-	381
32	Phase out the use of herbicides in parks.	Phase out chemical spraying in Parks and increase the use of mulch in flower beds.	200	200

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
34	Reduce Grounds Maintenance capability	Reduce 33 staff in grounds maintenance. This will require a review of Grounds Maintenance activities	1,000	1,000
35	Remove Ranger Patrol and delete vacant posts within the Ranger Service	Reduce Rangers from 33 to 20. For the smaller Ranger service to be refocused on priority areas of Parks Risk Assessment, open water safety assessments and tree safety inspections	807	807
38	End contract with Keep Britain Tidy	The Council will be unable to utilise KBT's logo and not access KBT publications and guides.	100	100
42	Reduce Graffiti Crews	Remove external spend on graffiti removal and utilise in-house graffiti removal resources only. Graffiti removal will prioritise offensive graffiti.	200	200
44	Reduction in Street Cleansing posts	Reduce the Street Cleansing team from 325 to 305 FTEs.	700	700
45	Reduction in managerial posts	Review management structures in Street Scene	470	470
46	Neighbourhood Waste Enforcement Officers – self financing	The team consists of 6 FTEs, which it is proposed to reduce to 3. For the team of 3, to be self-financing through fine income.	291	291
47	Additional Bereavement income – fees increase	An average increase of 11% in 2024/25 and a further fee increase of average 5% in 2025/26 across all fees and charges. This	880	1,280

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
		includes an £80k increase to staffing expenditure for a future operating model to improve maintenance to meet customer expectations. Benchmarking indicates that the services will remain competitive and comparable with those provided by neighbouring authorities.		
48	Additional income from registration of marriages	Increase income by appointing an additional postholder to increase the number of marriage ceremonies that can take place. An additional marriage ceremony day will be offered on Thursdays (which is not currently available). Staffing expenditure will increase but costs are assumed covered by income with a net surplus of £35k	70	70
49	Amend the Community Safety team	Reduction in posts – proposal is to not renew or make permanent any FTC contracts currently paid via revenue budget and not fill a grade 5 vacancy. The Service is also proposing to lose staff savings achieved as a result of flexible retirement and reduced hours applied within service.	185	185
52	Increase Leisure fees by 5%	Increase prices at Birmingham City Council directly managed sport, leisure and wellbeing facilities by 5%	50	50

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
53	Increase income and reduce expenditure in internal leisure – breakeven budget	Reduce costs at Moseley Road Baths and transfer the facility that used to house Great Barr Leisure Centre	83	83
54	Combine management of Wellbeing and Sport service	Align the sports facilities, leisure centres and wellbeing centres under a single management structure	-	50
55	Measures implemented to deliver a profit share for Birmingham Community Leisure Trust leisure centre contract	Implement measures that will increase the likelihood of the Birmingham Community Leisure Trust leisure centre contracts returning a surplus share for the Council including: i) reviewing the passport to leisure discount scheme on all activities ii) reviewing opening hours iii) removing the cap on maximum charges iv) reviewing the viability of facilities in receipt of the greatest operational subsidy.	-	150
56	Reduction of grant to The Active Wellbeing Society	Reduce the grant from £1.2m to £0.3m thereby reducing the outdoor physical activity offer provided through The Active Wellbeing Society	-	900

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
57	Increase income from commercial events	Increase in income for Frankfurt Christmas Market and new income for Summer Music Event	95	75
60	Review Film Birmingham	Implement cost reductions and increase income	89	89
61	Cultural Organisation Grant reductions	Excluding the B:Music premises grant, reduce other grants by 50% in year 1 and 100% in year 2.	630	1,261
62	Cease funding for cultural projects	Deliver two historical cultural project grants in year 1 ceasing the rest including Local Arts Forums. Cease all cultural project grants in year 2.	452	487
63	Restructure culture delivery team	Restructure team to reflect reduction in service activity	25	50
64	Neighbourhood Action Coordinators – cease the 22 ward pilot and do not roll out city wide	Neighbourhood Action Coordinators – cease the 22 ward pilot and do not roll out city wide	1,955	2,255
67	Reduce Ward Forum meetings to 3 per year and integrate ward planning	Reduce the number of ward forum meetings and staffing levels accordingly from 4 to 2 Community Governance Managers. Remove the localisation ward plan budget	150	200
69	Neighbourhood Development Support Unit	Reduce the management capacity to reflect the reduction in NDSU activity	50	100

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
	(NDSU) Management Restructure			
70	Changes to Business Improvement District Service	Introduce 3% revenue account management fee (collection charge) for Business Improvement Districts Service. Release remaining budget for BID establishments and ballots and reduce BID officers & high street officers	167	190
72	Community Facilities – Cease Direct Management	Most Council owned community centres have already been transferred to third parties (mainly voluntary and community groups), but the Council still directly manages eleven facilities. The proposal is for the service to stop running these remaining facilities and instead seek to transfer them to third parties to operate, but if this proves unviable then alternative routes of disposal will be considered.	-	300
73	Delete 4 vacant posts – neighbourhoods division	Delete non-priority vacant posts	170	170
74	Release service prudential borrowing capacity identified for Alexander Stadium	Reduction in the revenue budget available to fund capital works through borrowing.	141	141

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
75	Restructure Resilience team and Reduce repairs and maintenance budget.	Reduction in posts – proposal is to reduce team by 4.5FTE which includes vacancy management, staffing reduction, in addition to vacancy management, and removal of two grade 4 posts. Proposal also includes reduction of repairs and maintenance budget.	183	256
76	Align Events & City Centre Teams – Refocus on contracted and commercial events	The team will refocus on its core activity - the events that remain contracted to be delivered, its two key civic events (Remembrance Sunday and Holocaust Memorial) and on bringing in new events to generate income. Funding for Birmingham International Dance Festival and Weekender will cease. The City Centre Management and Events teams will better align, improving effectiveness and efficiency - this will result in the reduction of one post in year 1 and one post in year 2.	400	400
154	Resilience – stop volunteering payments and payments to the regional Local Resilience Forum	Proposal is to stop non-statutory payment into the Local Resilience Forum and to cease supplementary payments to staff volunteers.	25	25
155	Allocation of Public Health funding to support	Public Health Funding to be secured to support community safety early intervention	100	100

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
	Community Safety – 2 year allocation	and prevention activity around the street community.		
156	Public Health funding for Environmental Health and Trading Standards – 3 years only	<p>Provision of non-statutory work that protects physical health and mental wellbeing.</p> <p>This includes advice to businesses on allergen compliance, advice to planners to protect developing environments, attendance at night to speed up resolution and investigation of nuisances, supporting communities which experience stress for unauthorised encampment as well as delivering welfare advice to the Gypsy and Romany Traveller community, advising Safety Advisory Groups with safety advice and advice for sporting and non-sporting activities delivered for the wider community, plus contribution to back office IT support to facilitate the above.</p> <p>Specific work will also be carried out in relation to Illicit vaping, nicotine inhaling products and smoke free areas.</p>	690	690
158	Reduce tourism budget	Halve the budget available to support new initiatives aligned with delivering the Visitor	25	25

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
		Destination Plan that increase the number of tourists visiting our city		
160	Alexander Stadium future operating model	Outsource Management operation or establish a Charitable Trust/CIO to run the Stadium	-	300
163	Review of Wellbeing Service operating model	In conjunction with stakeholders such as Sport England and Public Health develop a new model for the management and operation of the Council's Wellbeing Centres. This will initially utilise Public Health Funding thereby enabling the changes to be implemented by March 2027, delivering an annual budget saving of £1m.	500	1,000
164	Review Love your Street activities	The Love Your Street service enhances the resident experience through organising local community work and supplies tools and equipment to do so. This proposal is to review and prioritise a reduced level of activity on areas of greatest need.	500	500
168	Cease area based community work and cease Neighbourhood Development Support Unit (NDSU) non-statutory functions	Cease area-based community work and cease NDSU non-statutory functions. Restructure team to reflect reduction in service activity with a reduction of 3 Grade 5 Community Support and Development Officers.	-	180

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
169	Cease Sports Development Function	Cease the non-statutory function	20	100
170	Reduce Flood Risk Maintenance Budget	Reduction in maintenance budget, flood asset regimes and reactive maintenance	50	50
212	Rationalisation of Assistant Director posts	With the proposed reduction in services provided through City Operations there is scope to reduce the directorate management team and reorganise remaining service provision. Based on existing directorate services – does not assume movements across directorates.	-	117
213	Consolidation of Enforcement	The consolidation of enforcement activity into a centre of expertise. Full scope needs to be defined and discussed but will be focussed on enforcement activity that affects the street scene. Likely to include, but not limited to, Litter Enforcement, Waste Enforcement, Street Intervention, Parking Enforcement, Anti-Social Behaviour, Highways enforcement. Consolidation should lead to better outputs and outcomes; however the potential saving needs to be scoped and analysed. Prudent efficiency saving proposed.	-	50

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
225	Additional Income – Birmingham Wildlife and Conservation Centre	Additional income generated through 10% increase in entrance fees	70	105
233	Redesign Garden Waste collection rounds	Redesign garden waste collection rounds and optimise collection operations	192	192
234	Procurement of Street Scene agency contract	Re-procure the agency contract for Street Scene agency resources	142	142
235	Commercial Waste income growth	Redesign Commercial Waste collection services and grow income	150	150
237	Reduce cost of Queslett closed Landfill site	Reduce the management and technical costs of the closed Queslett landfill site	260	260
238	Fuel contract procurement	Reprocure the fuel contract for street scene's fleet	190	190
239	Strategic review of fleet	Increase utilisation and optimise fleet operations of Street Scene's vehicles	520	520
240	Redesign Recycling waste collection rounds	Redesign recycling waste collection rounds and optimise collection operations	850	850
241	Reduce the Mobile Household Waste and Recycling Centre (HWRC) provision	Halve the mobile HWRC provision and focus on priority areas. To also utilise existing fleet to maximise efficiencies.	723	723
242	Remove 'additional' Deep Cleansing Crews	Reverse the growth funding for Deep Cleansing Crews	1,000	1,000

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
243	Review of agency staff working arrangements	Review agency staff arrangements to pay agency staff on a deployed hours basis	600	600
236	Review Grounds Maintenance	Remove client/contractor working arrangements in Grounds Maintenance and review the POPI system	106	106
244	Reduce Mechanical Sweepers	Remove 10 mechanical sweepers that are beyond their operational life	350	350
245	Reduce agency staff in Waste Collection	Reduce reliance of agency resource in waste collection, as a contingency for mainstream operations	2,100	2,100
246	Reduce agency resource in Street Cleansing	Reduce reliance of agency resource in street cleansing, as a contingency for mainstream operations	600	600
247	Reduce short term vehicle hires	Remove 23 hire vehicles from the Council's fleet	1,472	1,472
248	Remove early starts in waste collection	Reverse the early start arrangements introduced as part of COVID control measures	700	700
<b>Total City Operations</b>			<b>39,268</b>	<b>57,111</b>
<b>City Housing</b>				
78	Property Acquisition capital financing	Removal of the use of General Fund budget to finance capital costs of the Property Acquisition programme over the previous 1	1,400	3,600

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
		and next 5 years. The existing purchases will be made and financed by the Housing Revenue Account, with properties becoming Social Housing with short term vacancies dispersed for Temporary Accommodation use.		
79	Service charge increases to full cost recovery	Service Charges in 23/24 have not kept pace with inflationary increases and will be increased in 24/25 to catch up with current costs to ensure the charges from April 2024 are in line with the existing policy of full cost recovery.	600	800
81	Establishment reduction	Reduction of posts across all levels of Housing Solutions and Support Service, predominantly through vacancy deletion	1,650	1,650
82	TA investment strategy delays to capacity increases	Implementation of the TA Investment Strategy agreed at Cabinet in June 2023 involved £3.7m new budget to increase the capacity in teams working with people requiring Temporary Accommodation support. The plan and programme will continue, but with a reduced budget of £3.35m	350	350
83	Shelforce Surplus	Increased surplus from Shelforce greater production and sales of windows and fire	778	978

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
		doors to fulfil orders planned from the investment planned into HRA stock.		
84	TA Investment Strategy delays to landlord incentives	Implementation of the TA Investment Strategy agreed at Cabinet in June 2023 involved £1.5m new budget to give as grants to landlords as an incentive to increase the number of PRS properties available to people looking to move out of Temporary Accommodation. The plan, and programme, will continue, but with a reduced budget of £1.25m	250	250
85	Homeless Centre financing	The service has a budget for annual financing and repayment of debt incurred to acquire and develop homeless centres. Repayment of two of these centres is complete, and the budget can be set from 2024/25 onwards without this commitment	288	288
86	Income collection and provision improvements	Increased income collection rates through joint working and best practice sharing with debt management teams across the Council	300	600
87	Public Health grant funding	Existing Public Health funding to be allocated to Homelessness interventions carried out in Housing Solutions but currently funded by base budget	200	200

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
176	Emergency Accommodation Unit cost negotiation	Emergency accommodation is currently provided at a night rate of between £50 and £90 per room per night for 800 units for families and individuals in bed and breakfast style accommodation. The project is seeking out providers of emergency accommodation and negotiating lower rates for guaranteed bookings over longer periods	420	420
220	HRA Review and joined up locality working between Housing and City Ops	Coming out of the comprehensive review of existing recharge arrangements between HRA and General Fund activity there are a number of opportunities internal BCC functions to deliver front line estate-based services, the cost recovery for which will include funds for a relevant portion of existing management and overhead	-	200
226	HRA and Investments and Valuations Team - Municipal Shops	The HRA is carrying out a review of its 400+ shops and commercial assets, which will involve the support from existing internal BCC services for which a recharge will be made to reflect the cost of using these resources	-	200
<b>Total City Housing</b>			<b>6,236</b>	<b>9,536</b>
<b>Place, Prosperity &amp; Sustainability</b>				

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
106	Service re-design and restructure	This saving arises from a planned service re-design and re-structure and includes removal of vacancies, the deletion of posts and a review of recharging that contributes towards the savings to General Fund.	4,365	5,325
107	Reduction in Central Administrative Buildings (CAB) Premises (Saving from operating costs when the buildings are decommissioned)	It is proposed that this will be achieved by the closure of Centrally Administered Building (CAB) Estate buildings including Woodcock Street, Sutton New Road and New Aston House, migrating occupying services and other building users to alternative space optimising use of the wider estate for an interim period into 25/26 until such time as future operational demand can be better interpreted so as to identify a more optimum and sustainable asset profile. This will therefore bring savings from property related operating costs.	1,000	2,325
108	European Affairs and Business Enterprise Teams to be self-financing and funded from external grant	Historically both the European Affairs Team and Business Enterprise Teams have had an element of corporate funding to support staffing costs. It is proposed to move to a target model of self-funding to reduce the cost to the General Fund. This means, moving forward from 24-25, the staff will be funded via project costs that are funded by external grants.	800	800

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
109	Income generation (combination of lease and rent reviews for commercial portfolio and increase in planning fee income)	The income will be generated from a combination of an increase in planning fees (in line with Government's statutory guidelines allowing an increase in planning and pre-application fee) and through a programme of rent and lease reviews covering the commercial portfolio.	1,500	2,000
110	Reduction in supplies	Savings arising as a result of reducing the available budget to commission supplies and services.	700	700
<b>Total Place, Prosperity &amp; Sustainability</b>			<b>8,365</b>	<b>11,150</b>
<b>Strategy, Equality &amp; Partnerships</b>				
142	Review of spans and layers and reorganisation of services within the directorate	A reduction in staff expenditure through a review of spans and layers and reorganisation of services within the directorate.	1,780	1,930
143	Return non-pay inflation and other budget efficiencies	A reduction in expenditure on non-staff budgets across services within the directorate.	667	667
<b>Total Strategy, Equality &amp; Partnerships</b>			<b>2,447</b>	<b>2,597</b>
<b>Council Management</b>				

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
1	Traded Services surrender of pay and price increases subsidy (Group & Capital Finance)	Traded services operate on cost recovery, past budget allocations for inflationary pressures will be returned to the corporate centre.	1,500	1,500
2	Reduction in traded services performance subsidy (Group & Capital Finance)	Improved performance within traded services and obligation to recharge at full market cost hence the subsidy will not be called upon for under-recovery.	799	799
3	Review Benefits Advice Team	Review of non-statutory provision of the Benefits Advice Team within the Benefit Service	122	162
4	Insource Enforcement work for some council tax, business rates and Business Improvement District debts	Income generation - Commence bringing some of the external enforcement agent work 'in house' for council tax, business rates and Business improvement district (BIDs) levies.	1,098	1,098
6	Cease Local Welfare Provision Scheme	Proposal that the provision of emergency payments (crisis) for food and utilities (gas and electric) cease. Proposal that payments for 'White goods' for provision of (for example) table-top fridges and cookers cease.	900	900
7	Review Council Tax Single Person Discounts (SPD)	Income generation – to review all existing SPDs to ensure the 25% discount is only applied where residents are entitled. This is	800	800

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
		in addition to existing activity to ensure correct entitlement is awarded.		
9	Additional income generated through the Governments' New Homes Bonus scheme	Income generation – additional work to use external data to identify empty homes that have been bought-back into use and attract payments from the Government (as well as council tax income).	-	1,984
10	Increased tax collection - additional debt recovery teams	Income generation – employ additional staff to deal with outstanding council tax and business rate debts. Includes proactive work to identify financial problems at an earlier stage.	3,840	3,840
12	Corporate Procurement Services	Undertaking a mini restructure and refining recharging of services delivered to “non-general fund” budget areas.	240	240
100	Ongoing revenue savings in the delivery of public services, by removing telephone lines and mobile phones (Analogue, mobile and land lines).	Reducing numbers of mobile phones in the organisation and taking out analogue telephone lines savings on calls costs and line costs.	370	370
101	Change service delivery in DTS to reduce costs, via third party contracts and	Reviewing Technology platforms, consolidating where appropriate, maximising relationships with key suppliers.	220	220

Ref	Saving Title	Description	Value 2024/25 £000	Value 2025/26 £000
	greater utilisation of commercial relationship			
102	Reduction in agency costs	Improved efficiency in service area, less agency top-up staff required	80	80
103	Voice Automation within Contact Centre Services	Voice Automation technology will offer an additional access channel for customers and release call handlers from low complexity calls	1,490	1,690
104	Contact Centre SLA reduction from 90% to 85%	Proposal to reduce the call handing service level within the contact centre which will enable a saving to be achieved through the removal of agency posts	-	50
105	Business Support Re-design	A reconfiguration and reduction of the existing business support administrative activity and posts to release savings	-	2,660
112	Recruitment Portal review	External recruitment portal non-renewal	30	30
113	Annual Staff Survey review	Replacement of externally run staff survey with in-house options	50	50
118	In-sourcing	Proposal to bring a proportion of legal work back in house from outsource partners to reduce costs.	75	100
119	Counsel Spend Reduction	Proposal to reduce spend on external counsel	118	118

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
120	Review current contracts for efficiency - subscriptions / case management system.	Review of current subscriptions/ICT provision to maximise efficiency of service delivery and reduce costs.	6	6
121	Review of election and committee structure	Proposed to change service delivery; non recruitment to vacant posts and headcount reduction.	98	130
123	Transport for Members (Taxi / Rail)	Proposed reduction of costs by changing how this is currently delivered to be more efficient and cost effective.	10	10
144	Restructure and redesign	Proposed reorganisation of structures within Legal and Governance; change delivery of service, efficient ways of working and reduction in headcount.	835	1,114
145	Governance efficiencies – fewer meetings/clerking	Reduction in Scrutiny Committees and Full Council meetings, resulting in reduction in headcount and reduction in special responsibility allowances.	57	66
175	5G Small Cells and Long Range Wide Area Network (LoRoWAN)	Enabling private sector to use council lampposts to host sensors or 5G small cells for a fee.	115	168
177	DTS staffing and licence savings for smaller organisation	Review of team sizes where lower volumes of calls are expected in a smaller organisation	250	400

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
178	Digital and Technology Services Redesign	A review of the service structure, prioritisation of core services, and review of vacant positions.	2,200	2,200
209	Service review and rationalisation of vacant posts	Review of finance service structure and vacant posts	360	360
210	Workforce savings	Review of people services structure and vacant posts	849	908
215	Business Improvement & Support Consolidation	Consolidate administrative activity, where appropriate, across the Council into the existing Business Support function	-	300
216	Debt recovery consolidation	Enable the Council where possible to have a single view of debt by consolidating all debt management, debt recovery activity into a single debt management team where appropriate	-	1,823
217	Customer contact consolidation	Where appropriate, consolidate customer service contact across the Council into the existing Customer Service Contact Centre	-	219
<b>Total Council Management</b>			<b>16,512</b>	<b>24,395</b>
<b>Cross-cutting</b>				

<b>Ref</b>	<b>Saving Title</b>	<b>Description</b>	<b>Value 2024/25 £000</b>	<b>Value 2025/26 £000</b>
188	Contract Management Efficiencies / Contract Savings	To deliver contract management savings from existing third party spend - with the aim to improve value for money from and reduce spend with third parties through a range of initiatives, including system controls to enhance compliance, reduction of spend through amalgamating spend / contacts and stopping spend.	1,000	3,000
190	Automation of Manual Processes	Using technology to complete repetitive manual tasks, and release savings in service areas	-	200
191	Greater use of digital tools	Using our digital tools more creatively to reduce administrative effort, processing errors and improve customer service.	-	200
218	Integrated Transport Unit	Review all transport and fleet management activity across the Council and consolidate this into a single management structure where appropriate	-	807
228	Fees and Charges - further savings	Anticipated increase in income relating to fees and charges uplifts across all service areas.	-	1,000
<b>Total Cross-cutting</b>			<b>1,000</b>	<b>5,207</b>
<b>Total Savings</b>			<b>149,765</b>	<b>226,088</b>

## Appendix 2A – General Fund Revenue Budgets

<b>Gross Expenditure</b>	<b>2023/24 Budget £'000</b>	<b>2024/25 Budget £'000</b>
<b>Directorate</b>		
Adult Social Care	610,449	720,266
City Housing	64,044	97,431
Place, Prosperity and Sustainability	87,637	87,591
City Operations	358,130	320,746
Council Management	642,137	787,836
Children & Families	475,151	458,327
Strategy Equalities and Partnerships	101,659	118,382
<b>Total Directorate Expenditure</b>	<b>2,339,206</b>	<b>2,590,580</b>
Corporately Managed Budgets	288,818	306,587
Contingencies	1,351	61,212
<b>Total Expenditure on Services</b>	<b>2,629,374</b>	<b>2,958,378</b>
Corporate Contribution to Reserves	49,119	46,412
<b>Total General Fund Expenditure</b>	<b>2,678,494</b>	<b>3,004,790</b>
Housing Revenue Account	303,594	326,994
Dedicated Schools Grant	836,283	838,008
<b>Total Gross Expenditure</b>	<b>3,818,371</b>	<b>4,169,792</b>

<b>Gross Income</b>	<b>2023/24 Budget £'000</b>	<b>2024/25 Budget £'000</b>
<b>Directorate</b>		
Adult Social Care	(184,082)	(244,512)
City Housing	(48,710)	(63,571)
Place, Prosperity and Sustainability	(80,944)	(69,641)
City Operations	(159,848)	(111,115)
Council Management	(605,835)	(695,564)
Children & Families	(95,757)	(73,709)
Strategy Equities and Partnerships	(93,464)	(110,348)
<b>Total Directorate Income</b>	<b>(1,268,639)</b>	<b>(1,368,461)</b>
Corporately Managed Budgets	(105,324)	(112,848)
Contingencies	(756)	(533)
Corporate Grants	(338,064)	(370,639)
<b>Total Income from Services</b>	<b>(1,712,783)</b>	<b>(1,852,481)</b>
Corporate Contribution/Use of Reserves	(9,981)	(1,440)
<b>Total General Fund Income</b>	<b>(1,722,764)</b>	<b>(1,853,920)</b>
Housing Revenue Account	(303,594)	(326,994)
Dedicated Schools Grant	(836,283)	(838,008)
<b>Total Gross Income</b>	<b>(2,862,641)</b>	<b>(3,018,922)</b>

<b>Net Expenditure</b>	<b>2023/24 Budget £'000</b>	<b>2024/25 Budget £'000</b>
<b>Directorate</b>		
Adult Social Care	426,367	475,754
City Housing	15,334	33,860
Place, Prosperity and Sustainability	6,693	17,950
City Operations	198,282	209,631
Council Management	36,302	92,272
Children & Families	379,394	384,618
Strategy Equities and Partnerships	8,195	8,034
<b>Total Directorate Net Expenditure</b>	<b>1,070,567</b>	<b>1,222,119</b>
Corporately Managed Budgets	183,494	193,739
Contingencies	595	60,679
Corporate Grants	(338,064)	(370,639)
<b>Total Net Expenditure on Services</b>	<b>916,592</b>	<b>1,105,898</b>
Corporate Use of Reserves	39,138	44,972
<b>Total General Fund Net Expenditure Budget</b>	<b>955,730</b>	<b>1,150,870</b>
Housing Revenue Account	0	0
Dedicated Schools Grant	0	0
<b>City Council Budget</b>	<b>955,730</b>	<b>1,150,870</b>

## Directorate Cash Limits

Directorate	2023/24 Original Net Base Budget £'000	Inflation & Pay Award 2024/25 £'000	Variations +/- £'000	Savings 2024/25 £'000	2024/25 Net Base Budget £'000	2025/26 Net Base Budget £'000
Adult Social Care	426,367	35,409	37,687	(23,709)	475,754	489,856
Children, Young People and Families	379,394	24,837	31,905	(51,518)	384,618	383,275
City Housing	15,334	5,285	19,477	(6,236)	33,860	31,840
City Operations	198,282	23,828	26,789	(39,268)	209,631	197,243
Council Management	36,302	5,862	61,980	(11,872)	92,272	79,041
Place, Prosperity and Sustainability	6,693	5,257	14,365	(8,365)	17,950	21,387
Strategy, Equalities and Partnerships	8,195	237	2,050	(2,447)	8,034	8,044
<b>Total Directorate Net Expenditure</b>	<b>1,070,567</b>	<b>100,715</b>	<b>194,253</b>	<b>(143,415)</b>	<b>1,222,120</b>	<b>1,210,687</b>
Corporately Managed Budgets	(114,837)	(7,708)	53,006	(1,710)	(71,249)	(79,693)
<b>Total General Fund Budget</b>	<b>955,730</b>	<b>93,007</b>	<b>247,259</b>	<b>(145,125)</b>	<b>1,150,870</b>	<b>1,130,993</b>
Funding	(955,730)	0	35,378	(4,640)	(924,992)	(1,063,596)
<b>Net Budget</b>	<b>0</b>	<b>93,007</b>	<b>282,637</b>	<b>(149,765)</b>	<b>225,879</b>	<b>67,397</b>

### Notes:

1. Early Intervention & Prevention: £25m has been transferred from Children, Young People & Families (Libraries, Adult Education Services) and City Housing (Neighbourhood Advice, Customer Service Centres) to create a new division, Early Intervention & Prevention, which will be managed within Adults Social Care. This transfer is shown above within the 2023/24 Net Base budget above to give a comparison with the services that remain in this Directorate for the 2024/25 financial year.
2. Place, Prosperity and Sustainability: for this year, the £46m contribution that the Council makes to the West Midlands Combined Authority for the transport levy is now shown within Corporately Managed Budget, hence why the PPS cash limit has fallen for the 2024/25 financial year. This transfer is shown above within the 2023/24 Net Base budget to give a comparison with the services that remain in this Directorate for the 2024/25 financial year.
3. The savings shown above against Council Management and Funding combine to a total of £16.512m which in Appendix 1 is shown together under Council Management for presentation purposes.

On the following pages, a summary is provided to show the movement for each Directorates budget from the 2023/24 base budget to the proposed base budget for the 2024/25 financial year.

## Adult Social Care Directorate – 2024/25 and 2025/26 Base Budgets

Division	2023/24 Original Net Base Budget £'000	Inflation & Pay Award 2024/25 £'000	Variations +/- £'000	Savings 2024/25 £'000	2024/25 Net Base Budget £'000	2025/26 Net Base Budget £'000
AD Community Services & ED & I Division	25,513	623	(1,107)	(4,911)	20,118	14,566
Adult Care Packages Division	271,266	22,621	35,706	(7,691)	321,902	353,055
Adults Social Care Division	4,703	485	37	(104)	5,121	5,244
Commissioning Division	32,433	6,126	(2,869)	(8,125)	27,565	22,078
Director Community and Operational Services Division	53,771	2,425	4,955	(1,618)	59,533	54,779
Quality and Improvement Division	15,394	149	973	0	16,516	16,560
Early Intervention & Prevention Division	23,287	2,980	(7)	(1,260)	25,000	23,575
<b>Total</b>	<b>426,367</b>	<b>35,409</b>	<b>37,687</b>	<b>(23,709)</b>	<b>475,754</b>	<b>489,856</b>

Inflation and pay award is calculated based on the assumptions included in Section 8 of this report. The table below highlights variations (demand pressures, write-off of existing savings programme) and savings (new savings programme as laid out in Appendix 1 of this report).

Services transferred to Early, Intervention and Prevention Division relates to Libraries, Adult Education Service, and the Neighbourhood Advice and Information Service.

The analysis of movements in base budgets for the 2024/25 financial year is shown below:

### Analysis of Variations and Savings by Division

2024/25  
£'000

2024/25  
£'000

#### AD Community Services & ED & I Division

##### Inflation & Pay Award

623

##### Variations

Budget adjustment from 23/24 base budgets - reduction in superannuation budget (due to reduced pension contributions) that should have been factored into 23/24 base budgets but was held centrally in contingency budgets

(1,326)

Adjustment to National Insurance budgets

219

##### **Subtotal Variations**

(1,107)

##### Savings 2024/25

130. Review of Day Centre Model

(1,950)

131. Review of the Enablement Service

(2,351)

134 Review Learning & Development Team external training offer

(211)

137. Review of Social Work teams and improve efficiencies

(229)

232. Review of Bharosa Service

(170)

##### **Subtotal Savings 2024/25**

(4,911)

#### Adult Care Packages Division

##### Inflation & Pay Award

22,621

##### Variations

Packages of Care demand pressures

30,206

Reversal of one-off saving - Looking at ways to enhance Integrated Care System / Clinical Commissioning Group partnership to harness pooled resources more efficiently eg Better Care Fund Inflation

1,000

Write off 2023/24 savings programme - Case load packages Review.

200

Write off 2023/24 savings programme - Adults Change Programme.

3,800

Write off 2023/24 savings programme - Special Impact team (SIT) complex case review accelerated and expanded to cover high cost packages.	<u>500</u>	
<b>Subtotal Variations</b>		<b>35,706</b>
<u>Savings 2024/25</u>		
125. Review Care Packages to ensure a strength-based approach	(5,687)	
131. Review of the Enablement Service	596	
138. Grant Maximisation - Adult Social Care	(2,100)	
139. Review of Shared Lived Care Packages	<u>(500)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(7,691)</b>
<b><u>Adults Social Care Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>485</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	41	
Adjustment to National Insurance budgets	<u>(4)</u>	
<b>Subtotal Variations</b>		<b>37</b>
<u>2024/25 Savings</u>		
No 134 Review Learning & Development Team external training offer	(104)	
<b>Subtotal</b>		<b>(104)</b>
<b><u>Commissioning Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>6,126</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(437)	
Adjustment to National Insurance budgets	68	
Additional Adult Social Care (ASC) Market Sustainability and Improvement Fund grant from Local Government Financial Settlement.	(2,840)	
Additional ASC Discharge Fund grant from Local Government Financial Settlement.	(6,290)	
Increase expenditure budgets for additional ASC Market Sustainability and Improvement Fund grant from Local Government Financial Settlement.	2,840	
Increase expenditure budgets for Additional ASC Discharge Fund grant from Local Government Financial Settlement.	6,290	
Use of additional ASC Market Sustainability and Improvement Fund grant from Local Government Financial Settlement to fund social worker retention payments.	(500)	
Use of additional ASC Discharge Fund grant from Local Government Financial Settlement to fund social care worker retention payments.	<u>(2,000)</u>	
<b>Subtotal Variations</b>		<b>(2,869)</b>
<u>2024/25 Savings</u>		
138. Grant Maximisation - Adult Social Care	(1,061)	
140. Review of third sector inflationary uplifts	(4,464)	
141 Review and Recommission third sector contracts	(1,600)	
211. Grant Maximisation- Public Health	<u>(1,000)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(8,125)</b>
<b><u>Director Community and Operational Services Division</u></b>		

<b>Inflation &amp; Pay Award</b>		<b>2,425</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(3,340)	
Adjustment to National Insurance budgets	457	
Unfunded Retention payment to Social Workers	4,988	
Write off current savings programme - 3% Turnover factor (Vacancy management)	<u>2,850</u>	
<b>Subtotal Variations</b>		<b>4,955</b>
<u>2024/25 Savings</u>		
126. Review of Care Centre Model	(346)	
137. Review of Social Work teams and improve efficiencies	<u>(1,272)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(1,618)</b>
<b><u>Quality and Improvement Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>149</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(32)	
Adjustment to National Insurance budgets	5	
Reversal of One off Reserve Releases from 2023/24 base	<u>1,000</u>	
<b>Subtotal Variations</b>		<b>973</b>
<b><u>Early Intervention &amp; Prevention Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>2,980</b>
<u>Variations</u>		
Adjustment to National Insurance budgets	1	
Superannuation budget adjustment - as described above	<u>(8)</u>	
<b>Subtotal variations</b>		<b>(7)</b>
<u>2024/25 Savings</u>		
193. NAIS and Community libraries	<u>(1,260)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(1,260)</b>

## Children, Young People and Families Directorate – 2024/25 and 2025/26 Base Budgets

Division	2023/24 Original Net Base Budget £'000	Inflation & Pay Award 2024/25 £'000	Variations +/- £'000	Savings 2024/25 £'000	2024/25 Net Base Budget £'000	2025/26 Net Base Budget £'000
Children and Families Birmingham Children's Trust (BCT)	245,756	15,318	29,115	(11,476)	278,713	284,759
Children and Families Non-BCT	156,153	9,519	2,790	(40,042)	128,420	121,031
Services transferred to Early, Intervention and Prevention Division	(22,515)	0	0	0	(22,515)	(22,515)
<b>Total</b>	<b>379,394</b>	<b>24,837</b>	<b>31,905</b>	<b>(51,518)</b>	<b>384,618</b>	<b>383,275</b>

Inflation and pay award is calculated based on the assumptions included in Section 8 of this report. The table below highlights variations (demand pressures, write-off of existing savings programme) and savings (new savings programme as laid out in Appendix 1 of this report).

Services transferred to Early, Intervention and Prevention Division relates to Libraries and Adult Education Service.

The analysis of movements in base budgets for the 2024/25 financial year is shown below:

<b>Analysis of Variations and Savings by Division</b>	<b>2024/25 £'000</b>	<b>2024/25 £'000</b>
<b><u>Children and Families Birmingham Children's Trust (BCT)</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>15,318</b>
<u>Variations</u>		
Increase in Demographic Growth for placements and staffing, including Unaccompanied Asylum-Seeking Children (UASC)	12,829	
Additional pension liability	3,000	
Increments and Market Supplements, previously funded from reserves	4,800	
Impact of cessation of the Household support fund	1,470	
Increase in IT license costs	190	
Additional impact of 2023/24 pay award	826	
Write off 2023/24 savings programme	<u>6,000</u>	
<b>Subtotal Variations</b>		<b>29,115</b>
<u>2024/25 Savings</u>		
96. Funding to Vulnerable Young People at Risk of Exploitation (Public Health funding switch)	(1,476)	
98. Realigning Dedicated Schools Grant	(1,000)	
185. Reduction of contract sum for Birmingham Children's Trust	<u>(9,000)</u>	
<b>Subtotal Savings 2024/25</b>		<b>(11,476)</b>
<b><u>Children and Families Non-BCT</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>9,519</b>
<u>Variations</u>		
Budget adjustment from 23/24 base budgets - reduction in superannuation budget (due to reduced pension contributions) that should have been factored into 23/24 base budgets but was held centrally in contingency budgets	(2,633)	
Transformation – removal of one-off transformation budgets	(750)	
Adjustment to National Insurance budgets	469	
Correction of grant inflation	950	

Write off 2023/24 savings programme - Children & Families reduction in Early Retirements pension strain costs	210	
Write off 2023/24 savings programme - 3% Turnover factor (Vacancy management)	1,921	
Contribution to Education PFI reserve	437	
23/24 base budgets adjustment - Pupil Safeguarding (including Exclusions, Pupil Tracking & Attendance)	(158)	
23/24 base budgets adjustment - Workforce Development	(62)	
23/24 base budgets adjustment - Performance, Business & Commissioning Intelligence	(29)	
23/24 base budgets adjustment - Strategic Governance & Planning	(113)	
23/24 base budgets adjustment – Commissioning	(161)	
Existing Early Help Programme – funding of inflation and pay award	948	
Children & Young People Travel Service – demographic growth	2,100	
Special Educational Needs Service / Special Educational Needs Assessment and Review Service staffing	1,110	
Removal of temporary funding to cover winding down as Youth Promise Plus grant ceased	<u>(1,449)</u>	
<b>Subtotal Variations</b>		<b>2,790</b>
<u>2024/25 Savings</u>		
89. Services for young people (including Careers, NEET and targeted focus in youth services on preventing knife crime)	(1,263)	
90. Commissioning of Early Help Contracts for Children, Young People and Families	(8,378)	
93. Children's Travel Transport Contracts Re-procurement	(13,700)	
98. Realigning Dedicated Schools Grant	(627)	
146. Children's Travel Agency Passenger Assistants Reprocurement	(148)	
147. Termination of contract for existing CYPTS database	(253)	
148. Establishment of Permanent Children's Travel Service Structure	(1,066)	
149. Optimisation of Bus Passes	(171)	
150. Review of non-statutory transport packages (Post 16)	(7,066)	
151. Passenger Assistance service re-design	(1,050)	
152. Reviewing transport packages for compulsory school age pupils	(1,963)	
179. Increase to Fees and Charges	(165)	
182. Release Children & Families Transformation Reserve	(992)	
183. Release of centrally held budgets	(726)	
186. Headcount reductions in Children and Families	<u>(2,474)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(40,042)</b>

## City Housing Directorate – 2024/25 and 2025/26 Base Budgets

Division	2023/24 Original Net Base Budget £'000	Inflation & Pay Award 2024/25 £'000	Variations +/- £'000	Savings 2024/25 £'000	2024/25 Net Base Budget £'000	2025/26 Net Base Budget £'000
Housing Services & Support Division	15,706	4,655	19,477	(5,458)	34,380	32,402
Shelforce Division	(372)	630	0	(778)	(520)	(562)
<b>Total</b>	<b>15,334</b>	<b>5,285</b>	<b>19,477</b>	<b>(6,236)</b>	<b>33,860</b>	<b>31,840</b>

Inflation and pay award is calculated based on the assumptions included in Section 8 of this report. The table below highlights variations (demand pressures, write-off of existing savings programme) and savings (new savings programme as laid out in Appendix 1 of this report).

The analysis of movements in base budgets for the 2024/25 financial year is shown below:

<b>Analysis of Variations and Savings by Division</b>	<b>2024/25 £'000</b>	<b>2024/25 £'000</b>
<b><u>Housing Services &amp; Support Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>4,655</b>
<u>Variations</u>		
Budget adjustment from 23/24 base budgets - reduction in superannuation budget (due to reduced pension contributions) that should have been factored into 23/24 base budgets but was held centrally in contingency budgets	(860)	
Temporary Accommodation Strategy allocated growth	18,200	
Bed & Breakfast pressure due to Home Office asylum fast track	1,400	
Adjustment to National Insurance budgets	135	
Write off 2023/24 savings programme - 3% Turnover factor (Vacancy management)	502	
Write off 2023/24 savings programme - Reducing/ Eradicating Bed & Breakfast Accommodation	<u>100</u>	
<b>Subtotal Variations</b>		<b>19,477</b>
<u>2024/25 Savings</u>		
84. TA Investment Strategy delays to landlord incentives	(250)	
78. Property Acquisition- HRA	(1,400)	
82. TA investment strategy delays to capacity increases	(350)	
85. Homeless Centre financing	(288)	
86. Income collection and provision improvements	(300)	
87. Public Health grant funding	(200)	
79. Service charge increases to full cost recovery	(600)	
81. Establishment Reduction	(1,650)	
176. B&B Unit cost negotiation	(420)	
<b>Subtotal Savings 2024/25</b>		<b>(5,458)</b>
<b><u>Shelforce Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>630</b>
<u>2024/25 Savings</u>		
83. Shelforce Surplus	(778)	
<b>Subtotal 2024/25 Savings</b>		<b>(778)</b>

## City Operations Directorate – 2024/25 and 2025/26 Base Budgets

Division	2023/24 Original Net Base Budget £'000	Inflation & Pay Award 2024/25 £'000	Variations +/- £'000	Savings 2024/25 £'000	2024/25 Net Base Budget £'000	2025/26 Net Base Budget £'000
City Ops Division	13,544	180	4,133	(925)	16,932	16,883
Community Safety Division	2,831	250	455	(493)	3,043	3,106
Highways & Infrastructure Division	55,121	11,157	2,020	(14,825)	53,473	48,017
Neighbourhoods Division	23,734	4,857	1,162	(5,002)	24,751	20,719
Regulation and Enforcement Services Division	7,110	2,017	2,378	(1,910)	9,595	9,549
Street Scene Division	96,717	5,367	16,641	(16,113)	102,612	99,744
Services transferred to Early, Intervention and Prevention Division	(775)	0	0	0	(775)	(775)
<b>Total</b>	<b>198,282</b>	<b>23,828</b>	<b>26,789</b>	<b>(39,268)</b>	<b>209,631</b>	<b>197,243</b>

Inflation and pay award is calculated based on the assumptions included in Section 8 of this report. The table below highlights variations (demand pressures, write-off of existing savings programme) and savings (new savings programme as laid out in Appendix 1 of this report).

Services transferred to Early, Intervention and Prevention Division relates to the Neighbourhood Advice and Information Service.

The analysis of movements in base budgets for the 2024/25 financial year is shown below:

### Analysis of Variations and Savings by Division

**2024/25  
£'000**                      **2024/25  
£'000**

#### City Ops Division

##### **Inflation & Pay Award**

**180**

##### Variations

Budget adjustment from 23/24 base budgets - reduction in superannuation budget (due to reduced pension contributions) that should have been factored into 23/24 base budgets but was held centrally in contingency budgets

(13)

Adjustment to National Insurance budgets

839

Write off 2023/24 savings programme - 3% Turnover factor (Vacancy management)

3,307

##### **Subtotal Variations**

**4,133**

##### 2024/25 Savings

21. Property licensing - administrative overhead and absorption rate - Recharge Income

(825)

22. Property licensing - optimising council delivery of support, advice and administration activity of property licensing schemes - Recharge Income

(100)

##### **Subtotal Savings 2024/25**

**(925)**

#### Community Safety Division

##### **Inflation & Pay Award**

**250**

##### Variations

Superannuation budget adjustment - as described above

(151)

Costs of relocating the CCTV and traffic Control Centre to Priestley Wharf

486

Costs of upgrades and repair to CCTV cameras, progressively upgrading cameras which are up to 30 years old and suffer failures or require repairs

55

Hostile Vehicle Mitigation Revenue Pressure associated with capital bid

65

<b>Subtotal Variations</b>		<b>455</b>
<u>2024/25 Savings</u>		
49. Amend the Community Safety team	(185)	
75. Restructure Resilience team and Reduce repairs and maintenance budget.	(183)	
154. Resilience - stop volunteering payments and payments to the regional Local Resilience Forum	(25)	
155. Allocation of Public Health funding to support Community Safety - 2 year allocation	<u>(100)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(493)</b>
<b><u>Highways &amp; Infrastructure Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>11,157</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(529)	
Impact of reduced PFI capital expenditure	18	
Removal of duplication of fees and charges budget.	139	
Parking income pressure following reduced demand	<u>2,392</u>	
<b>Subtotal Variations</b>		<b>2,020</b>
<u>2024/25 Savings</u>		
13. Street lighting reduce 2m kw hours - dimming and trimming	(900)	
14. School crossing patrols (Non-Statutory Service) - CAZ funding for 3 years	(750)	
15. Local engineering (Non-Statutory Service) - amend delivery model	(316)	
16. Dropped kerbs – redesign to maximise efficiency and group like activity	(100)	
17. Highways specified licenses - 100% self-funding – redesign to maximise efficiency and group like activity	(209)	
18. Reduce spend on Highways maintenance	(12,000)	
19. Reduction in PFI management budget	(500)	
170. Reduce Flood Risk Maintenance Budget	<u>(50)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(14,825)</b>
<b><u>Neighbourhoods Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>4,857</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(684)	
Neighbourhood Action Coordinators	750	
Sports & Leisure Service - Fall out of temporary corporate support	(24)	
Old Rep Theatre Lease Exit Dilapidations Costs	700	
Birmingham Museum & Art Gallery Income Compensation due to temporary closure for refurbishment.	<u>420</u>	
<b>Subtotal Variations</b>		<b>1,162</b>
<u>2024/25 Savings</u>		
52. Increase Leisure fees by 5%	(50)	
53. Increase income and reduce expenditure in internal leisure – breakeven budget	(83)	

57. Increase income from commercial events	(75)	
57. Increase income from commercial events (Centenary Square)	(20)	
60. Review Film Birmingham	(89)	
61. Cultural Organisation Grant reductions	(630)	
62. Cease funding for cultural projects	(452)	
63. Restructure culture delivery team	(25)	
64. Neighbourhood Action Coordinators – cease the 22 ward pilot and do not roll out city wide	(1,955)	
67. Reduce Ward Forum meetings to 3 per year and integrate ward planning	(150)	
69. Neighbourhood Development Support Unit (NDSU) Management Restructure	(50)	
70. Changes to Business Improvement District Service	(167)	
73. Delete 4 vacant posts - neighbourhoods division	(170)	
74. Release service prudential borrowing capacity identified for Alexander Stadium	(141)	
76. Align Events & City Centre Teams – Refocus on contracted and commercial events	(400)	
158. Reduce tourism budget	(25)	
163. Increase Public Health Funding of Wellbeing Leisure Centres	(500)	
169. Cease Sports Development Function	<u>(20)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(5,002)</b>
<b><u>Regulation &amp; Enforcement Services Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>2,017</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(1,287)	
Rag Markets - loss of income	(87)	
St Martins Markets - loss of income	(65)	
Increase in Environmental Health staffing for Sport Ground Safety	65	
Costs associated with a major ongoing inquest.	1,500	
Environmental Health additional staffing request for food inspections and animal welfare due to change in law.	1,160	
Trading Standards additional staffing request due to change in law	500	
Environmental Health Animal Welfare change to contract for housing stray dogs	477	
Bereavement income - fees increase in costs	80	
Review income from registration of marriages costs	<u>35</u>	
<b>Subtotal Variations</b>		<b>2,378</b>
<u>2024/25 Savings</u>		
21. Property licensing - administrative overhead and absorption rate - Recharge Inc	(75)	
24. Pest control - new charge for domestic rat treatments	(195)	
47. Bereavement income - fees increase	(880)	
48. Review income from registration of marriages	(70)	

156. Public Health funding for Environmental Health and Trading Standards - 3 years only	(690)	
<b>Subtotal 2024/25 Savings</b>		<b>(1,910)</b>
<b><u>Street Scene Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>5,367</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(2,935)	
Waste Service - First 5 year Renewal Investment to update infrastructure (increase in contract payment to third party provider)	1,600	
Waste Service - Increased costs of Dry Mixed Recycling	1,000	
Waste Service - Loss of Triads electricity income	700	
Waste Service - other Investment to update third party provider's infrastructure (increase in contract payment)	1,200	
Garage income pressure	919	
Grounds Maintenance shortfall in contract inflation	65	
Additional costs of hire and repair within the Streetscene vehicle fleet.	5,000	
Realignment of the trade waste income target in line with current demand levels for the service.	1,900	
Streetscene unachieved service redesign savings	1,600	
Waste Management Mobilisation costs required to implement and deliver fortnightly residual collection	370	
Streetscene agency & trucks additional pressure	<u>5,222</u>	
<b>Subtotal Variations</b>		<b>16,641</b>
<u>2024/25 Savings</u>		
25. Additional Bulky waste income and fee increase	(440)	
26. Additional Garden waste income and fee increase	(1,200)	
27. Cease non statutory Waste Prevention activities	(180)	
32. Stop all chemical weed spraying	(200)	
34. Reduce Grounds Maintenance capability	(1,000)	
35. Remove Ranger Patrol and delete vacant posts within the Ranger Service	(807)	
38. End contract with Keep Britain Tidy	(100)	
42. Reduce Graffiti Crews	(200)	
44. Reduction in Street Cleansing posts	(700)	
45. Reduction in managerial posts	(470)	
46. Neighbourhood Waste Enforcement Officers - self financing	(291)	
164. Review non-statutory Love your Street activities	(500)	
225. Additional Income - Birmingham Wildlife and Conservation Centre	(70)	
244. Reduce Mechanical Sweepers	(350)	
245. Reduce agency staff in Waste Collection	(2,100)	
246. Reduce agency resource in Street Cleansing	(600)	
247. Reduce short term vehicle hires	(1,472)	
248. Remove early starts in waste collection	(700)	
233. Redesign Garden Waste collection rounds	(192)	

234. Procurement of Street Scene agency contract	(142)	
235. Commercial Waste income growth	(150)	
237. Reduce cost of Queslett closed Landfill site	(260)	
238. Fuel contract procurement	(190)	
239. Strategic review of fleet	(520)	
240. Redesign Recycling waste collection rounds	(850)	
241. Reduce the Mobile Household Waste and Recycling Centre (HWRC) provision	(723)	
242. Remove 'additional' Deep Cleansing Crews	(1,000)	
243. Review of agency staff working arrangements	(600)	
236. Review Grounds Maintenance	(106)	
<b>Subtotal 2024/25 Savings</b>		<b>(16,113)</b>

## Council Management Directorate – 2024/25 and 2025/26 Base Budgets

Division	2023/24 Original Net Base Budget £'000	Inflation & Pay Award 2024/25 £'000	Variations +/- £'000	Savings 2024/25 £'000	2024/25 Net Base Budget £'000	2025/26 Net Base Budget £'000
Council Management Leadership	5,358	114	2,089	0	7,561	7,700
Digital & Customer Services Directorate	29,167	4,044	7,882	(6,845)	34,248	31,756
Finance and Governance Directorate	(7,803)	1,341	39,028	(4,098)	28,468	22,153
HR and Organisation Development Directorate	9,580	363	12,981	(929)	21,995	17,431
<b>Total</b>	<b>36,302</b>	<b>5,862</b>	<b>61,980</b>	<b>(11,872)</b>	<b>92,272</b>	<b>79,041</b>

Inflation and pay award is calculated based on the assumptions included in Section 8 of this report. The table below highlights variations (demand pressures, write-off of existing savings programme) and savings (new savings programme as laid out in Appendix 1 of this report).

To note that, the Council Management Leadership base budget includes the 2023/24 Pay Award allocation for the Council Management Directorate as a whole.

The analysis of movements in base budgets for the 2024/25 financial year is shown below:

<b>Analysis of Variations and Savings by Division</b>	<b>2024/25 £'000</b>	<b>2024/25 £'000</b>
<b><u>Council Management Leadership</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>114</b>
<u>Variations</u>		
Adjustment to National Insurance budgets	1,081	
Pay award inflation	159	
Write off 2023/24 savings programme - Review all Council-leased properties and reduce cost of lease payments for assets	460	
Write off 2023/24 savings programme - Customer Services Bereavement Improvements in service design to deliver efficiencies	<u>390</u>	
<b>Subtotal Variations</b>		<b>2,089</b>
<b><u>Digital &amp; Customer Services Directorate</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>4,044</b>
<u>Variations</u>		
Budget adjustment from 23/24 base budgets - reduction in superannuation budget (due to reduced pension contributions) that should have been factored into 23/24 base budgets but was held centrally in contingency budgets	(3,377)	
ICT prudential borrowing shortfalls	(414)	
Benefits Service Budget realignment due to Universal Credit roll out	400	
Postage costs budget increase due to Royal Mail price increase.	223	
Digital Mail Pressure - Request for additional to deal with storing documents electronically.	87	
Decrease in Digital & Technology Service project income	1,900	
Print / stationery pressure as a result of all print being completed at Digital Mail Centre rather than via MFDs.	110	
Costs involved in delivering the Single Person Discount savings	60	
Additional complaint handling staff unless complaint volumes reduce based on 29 FTE additional staff required to process at least 90% of complaints within the 10 and 15 day Service level agreement expected	1,100	

Robotic Process Automation subscription licences	149	
Costs for 5G and small mobile cells	10	
Staff costs for additional revenue recovery	1,100	
Use of directorate reserve to fund staff costs for additional revenue recovery in 2024/25	(1,100)	
Transfer of posts from the DCS division to the SEP Directorate	(105)	
Remove Local Council Tax Support Admin Grant from Revenues and Benefits budget as the grant has been rolled into the Council's core spending power/top up grant as part of the financial settlement.	2,085	
Write off 2023/24 savings programme - Customer Services	50	
Write off 2023/24 savings programme - System Efficiencies	600	
Write off 2023/24 savings programme - 3% Turnover factor (Vacancy management)	1,598	
Write off 2023/24 savings programme - IT&D Service Redesign	2,400	
Write off 2023/24 savings programme - Personal Assistant Allocation - review use of Personal Assistant Support.	200	
Write off 2023/24 savings programme - Business Support Efficiencies.	50	
Write off 2023/24 savings programme - Application platform modernisation.	11	
Debt collection costs for Insourcing Enforcement work linked to 2024/25 savings programme (Saving No. 4)	738	
5G Small Cells and Long Range Wide Area Network (LoRaWAN) costs	<u>7</u>	
<b>Subtotal Variations</b>		<b>7,882</b>
<u>2024/25 Savings</u>		
3. Review Benefits Advice Team	(122)	
4. Insource Enforcement work	(1,098)	
6. Cease Local Welfare Provision Scheme	(900)	
100. Ongoing revenue savings in the delivery of public services, by removing telephone lines and mobile phones	(370)	
101. Change service delivery to reduce costs, via third party contracts and greater utilisation of commercial relationship	(220)	
102. Reduction in agency costs	(80)	
103. Voice Automation within Contact Centre Services	(1,490)	
175. 5G Small Cells and Long Range Wide Area Network (LoRaWAN)	(115)	
177. DTS staffing and licence savings for smaller organisation	(250)	
178. Digital and Technology Services Redesign	<u>(2,200)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(6,845)</b>
<b><u>Finance and Governance Directorate</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>1,341</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(1,697)	
Millenium Point – realignment of budget	(8)	
Write out of commercialisation savings	116	
Member allowances budget correction	148	
Finance staffing due to Section 114 notice – improvement and financial recovery	436	

Increase in audit costs due to Redmond review	183	
Increase in external audit costs due to additional work required to audit Council-specific issues, such as external auditor statutory recommendations.	1,000	
Procurement additional operating costs	587	
Removal of City Catering income surplus budget relating to Pause Cafes in Lancaster Circus and Woodcock Street as these cafes are no longer open given the change in working patterns post lockdown.	77	
Additional costs of Business Consultancy and records storage	79	
Reduction in budgeted recharge to the Housing Revenue Account for Finance Support	486	
Additional Financial Reporting costs	753	
Transaction Services - Loss of Income.	83	
Oracle programme costs	25,000	
Oracle support costs: Transaction Services staffing for manual work arounds and backfill to support release of SMEs	5,334	
Legal and Governance insourcing of work	51	
External Financial Recovery and Support Costs	1,623	
Loss of Payroll Income due to the change in service offer following Oracle implementation.	300	
Movement of Programme Management Office budget from Council Management to SEP directorate	267	
Write off current savings programme - Legal and Governance maximisation of income	900	
Write off 2023/24 savings programme - Digital advertising on key assets	300	
Write off 2023/24 savings programme - 3% Turnover factor (Vacancy management).	2,084	
Write off 2023/24 savings programme - Development & Commercial Digital advertising income and offer up of growth.	60	
Write off 2023/24 savings programme - Procurement 2020/21 Expenditure Budget covered by funding.	106	
Write off 2023/24 savings programme - Audit increase trading opportunities with Police, Housing Associations and Acivico.	60	
Write off 2023/24 savings programme - refinancing legacy systems.	<u>700</u>	
<b>Subtotal Variations</b>		<b>39,028</b>
<u>2024/25 Savings</u>		
1. Traded Services surrender of pay and price increases subsidy (Group & Capital Finance)	(1,500)	
2. Reduction in traded services performance subsidy (Group & Capital Finance)	(799)	
12. Corporate Procurement Service	(240)	
118. In-sourcing	(75)	
119. Counsel Spend Reduction	(118)	
120. Review current contracts to maximise efficiency - subscriptions / case management system.	(6)	
121. Review of election and committee structure	(98)	
123. Transport for Members (Taxi / Rail)	(10)	
144. Restructure and redesign	(835)	

145. Governance efficiencies – fewer meetings/clerking	(57)	
209. Rationalisation of vacant posts and service rationalisation	<u>(360)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(4,098)</b>
<b><u>HR and Organisation Development Directorate</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>363</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(543)	
HR New Target Operating Model reduction in previous pressures funding (within base budget)	(546)	
Job evaluation and Pay Equity and Pay Compliance Team.	13,333	
Write off 2023/24 savings programme - Review HR Target Operating Model reduce posts that are vacant.	170	
Write off 2023/24 savings programme – HR reduced growth request	113	
Write off 2023/24 savings programme – 3% Turnover factor (Vacancy management).	<u>454</u>	
<b>Subtotal Variations</b>		<b>12,981</b>
<u>2024/25 Savings</u>		
112. Recruitment Portal review	(30)	
113. Annual Staff Survey review	(50)	
210. Workforce savings	<u>(849)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(929)</b>

## Place, Prosperity & Sustainability Directorate – 2024/25 and 2025/26 Base Budgets

Division	2023/24 Original Net Base Budget £'000	Inflation & Pay Award 2024/25 £'000	Variations +/- £'000	Savings 2024/25 £'000	2024/25 Net Base Budget £'000	2025/26 Net Base Budget £'000
Investment & Valuation / Corporate Landlord Division	(11,963)	2,758	12,207	(1,500)	1,502	5,605
Development Division	47	460	856	(1,500)	(137)	(436)
Housing Development Division	500	95	11	0	606	725
Places, Prosperity & Sustainability Division	10,770	165	1,082	(5,065)	6,952	5,911
Planning Division	3,740	501	702	(300)	4,643	4,744
Route to Zero Carbon	0	0	0	0	0	0
Transportation & Connectivity Division	50,403	1,278	(493)	0	51,188	51,642
Transfer of WMCA Transport Levy to Corporately Managed Budgets	(46,804)	0	0	0	(46,804)	(46,804)
<b>Total</b>	<b>6,693</b>	<b>5,257</b>	<b>14,365</b>	<b>(8,365)</b>	<b>17,950</b>	<b>21,387</b>

Inflation and pay award is calculated based on the assumptions included in Section 8 of this report. The table below highlights variations (demand pressures, write-off of existing savings programme) and savings (new savings programme as laid out in Appendix 1 of this report).

The Route to Zero Carbon Division has a net zero expenditure budget as the Route to Zero Carbon expenditure is funded from the Clean Air Zone funds.

The analysis of movements in base budgets for the 2024/25 financial year is shown below:

### Analysis of Variations and Savings by Division

2024/25  
£'000

2024/25  
£'000

#### Investment & Valuation / Corporate Landlord Division

#### Inflation & Pay Award

2,758

#### Variations

Budget adjustment from 23/24 base budgets - reduction in superannuation budget (due to reduced pension contributions) that should have been factored into 23/24 base budgets but was held centrally in contingency budgets

(437)

Removal of temporary budget for Health & Safety Compliance in the corporate estate following completion of the four year review programme

(1,250)

Reduced income from commercial portfolio due to sale of assets to generate capital receipts to assist in the financial recovery plan

4,000

Provision for asset valuations to enable statutory accounts production

250

Reduced interest receivable following loan repayments by creditor

27

Write off 2023/24 savings programme - Central Administrative Building (CAB) Premises

3,745

Write off 2023/24 savings programme - Council House Commercialisation Income generation saving

50

Write off 2023/24 savings programme - Commercial Property Blended Approach Investment and Lease Events saving

3,100

Write off 2023/24 savings programme - Commercial Property Active Investment through investment in Public Works Loan Board compliant commercial property to generate additional income

2,250

Write off 2023/24 savings programme - Lease events savings (£5-10k leases)

150

Write off 2023/24 savings programme - Public Hub savings

322

#### **Subtotal Variations**

**12,207**

#### 2024/25 Savings

107. Reduction in CAB Premises	(1,000)	
109. Income generation	<u>(500)</u>	
<b>Subtotal Savings 2024/25</b>		<b>(1,500)</b>
<b><u>Development Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>460</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(344)	
Reduction in planning fee income budget to reflect fall in the number of applications	<u>1,200</u>	
<b>Subtotal Variations</b>		<b>856</b>
<u>2024/25 Savings</u>		
108. European Affairs and Business Enterprise Teams to be self-financing and funded from external grant	(500)	
109. Income generation (combination of lease and rent reviews for commercial portfolio and increase in planning fee income)	<u>(1,000)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(1,500)</b>
<b><u>Housing Development Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>95</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(201)	
Inreach Housing Programme adjustment	<u>212</u>	
<b>Subtotal Variations</b>		<b>11</b>
<b><u>Places, Prosperity &amp; Sustainability Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>165</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(37)	
Write off 2023/24 savings programme - 3% Turnover factor (Vacancy management)	666	
Adjustment to National Insurance budgets	279	
Temporary Funding required for update of the Local Plan (Planning Requirement).	<u>174</u>	
<b>Subtotal Variations</b>		<b>1,082</b>
<u>2024/25 Savings</u>		
106. Service re-design and restructure	(4,365)	
110. Reduction in supplies	<u>(700)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(5,065)</b>
<b><u>Planning Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>501</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	(213)	
Adjustment to Workplace Parking Levy budget funding from reserve	<u>915</u>	
<b>Subtotal Variations</b>		<b>702</b>
<u>2024/25 Savings</u>		

108. European Affairs and Business Enterprise Teams to be self-financing and funded from external grant	<u>(300)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(300)</b>
<b><u>Transportation &amp; Connectivity Division</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>1,278</b>
<u>Variations</u>		
Superannuation budget adjustment - as described above	<u>(493)</u>	
<b>Subtotal Variations</b>		<b>(493)</b>

## Strategy, Equalities & Partnerships Directorate – 2024/25 and 2025/26 Base Budgets

Division	2023/24	Inflation &	Variations	Savings	2024/25 Net	2025/26 Net
	Original Net Base Budget £'000	Pay Award 2024/25 £'000	+/- £'000	2024/25 £'000	Base Budget £'000	Base Budget £'000
Corporate Communications Division	1,815	58	(89)	(468)	1,316	1,351
Public Health Division Division	0	0	0	0	0	0
Strategy, Equalities & Partnerships Division	6,380	179	2,139	(1,979)	6,718	6,693
<b>Total</b>	<b>8,195</b>	<b>237</b>	<b>2,050</b>	<b>(2,447)</b>	<b>8,034</b>	<b>8,044</b>

Inflation and pay award is calculated based on the assumptions included in Section 8 of this report. The table below highlights variations (demand pressures, write-off of existing savings programme) and savings (new savings programme as laid out in Appendix 1 of this report).

The Public Health Division has a net zero expenditure budget as Public Health expenditure is funded by the Public Health grant. In 2024/25 Birmingham City Council will receive a Public Health grant of £101.3m.

The analysis of movements in base budgets for the 2024/25 financial year is shown below:

### Analysis of Variations and Savings by Division

**2024/25  
£'000**

**2024/25  
£'000**

#### Corporate Communications Division

##### **Inflation & Pay Award**

**58**

##### Variations

Budget adjustment from 23/24 base budgets - reduction in superannuation budget (due to reduced pension contributions) that should have been factored into 23/24 base budgets but was held centrally in contingency budgets

**(89)**

##### **Subtotal Variations**

**(89)**

##### 2024/25 Savings

142. Review of spans and layers and reorganisation of services within the directorate

**(366)**

143. Return non-pay inflation and other budget efficiencies

**(102)**

##### **Subtotal Savings 2024/25**

**(468)**

#### Strategy, Equalities & Partnerships Division

##### **Inflation & Pay Award**

**179**

##### Variations

Superannuation budget adjustment - as described above

**(343)**

Cost of Commissioners

**1,535**

Budget adjustment from 23/24 base budgets - Movement Council Management to SEP of Programme Management Office

**(267)**

Budget adjustment from 23/24 base budgets - Transfer of posts between Digital and Customer Services Division in Council Management to SEP

**105**

Adjustment to National Insurance budgets

**31**

Realignment of pay budgets

**22**

Write off 2023/24 savings programme - Operational hub programme

**(54)**

Write off 2023/24 savings programme - Operational Hub Programme.

**215**

Write off 2023/24 savings programme - 3% Turnover factor (Vacancy management)

**245**

Write off 2023/24 savings programme - Efficiencies amongst non-staffing budgets.

**50**

Write off 2023/24 savings programme - Customer Services	<u>600</u>	
<b>Subtotal Variations</b>		<b>2,139</b>
<u>2024/25 Savings</u>		
142. Review of spans and layers and reorganisation of services within the directorate	(1,414)	
143. Return non-pay inflation and other budget efficiencies	<u>(566)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(1,979)</b>

## Corporately Managed Budgets – 2024/25 and 2025/26 Base Budgets

Division	2023/24 Original Net Base Budget £'000	Inflation & Pay Award 2024/25 £'000	Variations +/- £'000	Savings 2024/25 £'000	2024/25 Net Base Budget £'000	2025/26 Net Base Budget £'000
Treasury Management	23,853	0	9,906	(710)	33,049	33,308
Reserves Contributions/(Uses)	39,138	0	5,834	0	44,972	15,849
Corporate Grants	(338,064)	0	(32,575)	0	(370,639)	(366,199)
Contingency	(783)	(9,798)	72,260	(1,000)	60,679	79,886
WMCA Transport Levy transferred to Corporately Managed Budgets	46,804	1,404	0	0	48,208	49,172
Other Corporately Managed Budgets	114,214	686	(2,418)	0	112,482	108,291
<b>Total</b>	<b>(114,838)</b>	<b>(7,708)</b>	<b>53,007</b>	<b>(1,710)</b>	<b>(71,249)</b>	<b>(79,693)</b>

Inflation and pay award is calculated based on the assumptions included in Section 8 of this report. The table below highlights variations (demand pressures, write-off of existing savings programme) and savings (new savings programme as laid out in Appendix 1 of this report).

Other Corporately Managed Budgets includes annual revenue costs of previous equal pay liabilities, insurance budgets, Environment Agency levy, annual pension early retirement costs, bank charges, Business Rates growth contribution to the West Midlands Combined Authority.

The analysis of movements in base budgets for the 2024/25 financial year is shown below:

<b>Analysis of Variations and Savings by Division</b>	<b>2024/25 £'000</b>	<b>2024/25 £'000</b>
<b><u>Treasury Management</u></b>		
<u>Variations</u>		
Movement in Treasury Management Revenue Costs	<u>9,906</u>	
<b>Subtotal Variations</b>		<b>9,906</b>
<u>2024/25 Savings</u>		
88. Saving on the cost of Prudential Borrowing for Schools Basic Need Projects	<u>(710)</u>	
<b>Subtotal Savings 2024/25</b>		<b>(710)</b>
<b><u>Reserves Contributions/(Uses)</u></b>		
<u>Variations</u>		
Movement in corporate reserves (see Section 11 of this report)	<u>5,834</u>	
<b>Subtotal Variations</b>		<b>5,834</b>
<b><u>Corporate Grants</u></b>		
<u>Variations</u>		
Removal of one-off National Levy account surplus grant	3,004	
Change in Multiplier Business Rates Grant	(6,105)	
Change in Small Business Rate Relief Grant	(7,852)	
Additional Social Care grant from Local Government Financial Settlement.	(32,155)	
Additional New Homes Bonus from Local Government Financial Settlement.	(1,656)	
Reduction in Service Grant from Local Government Financial Settlement.	<u>12,188</u>	
<b>Subtotal Variations</b>		<b>(32,575)</b>
<b><u>Contingency</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>(9,798)</b>
<u>Variations</u>		
Write-off of 2023/24 savings programme within contingency budget	21,360	

Budget adjustment from 23/24 base budgets - Reversal of the superannuation budget reduction (due to reduced pensions contributions from 2023/24	21,641	
Other Contingency budget changes	<u>29,259</u>	
<b>Subtotal Variations</b>		<b>72,260</b>
<u>2024/25 Savings</u>		
188. Procurement Contract Savings	<u>(1,000)</u>	
<b>Subtotal 2024/25 Savings</b>		<b>(1,000)</b>
<b><u>Other Corporately Managed Budgets</u></b>		
<b>Inflation &amp; Pay Award</b>		<b>686</b>
<u>Variations</u>		
Other changes in Corporately Managed Budgets	<u>(2,418)</u>	
<b>Subtotal Variations</b>		<b>(2,418)</b>

## Appendix 2B – Council Tax Requirement

1. The Council Tax requirement of £480.4m (excluding parish precepts and Enterprise Zone growth) is divided by the Council Taxbase for the year of 267,940 to give a Band D Council Tax for Birmingham Council of £1,793.01 (excluding Police, parish, and Fire precepts). This figure is converted to the amount payable by properties in other valuation bands by applying a set multiplier, to arrive at the charge citizens will pay for Council services. These calculations are shown below:

**Table 1 – summary of Council Tax Requirement.**

	<b>City Council Services £</b>	<b>Incl. Parish Precepts and Enterprise Zone Growth £</b>
Total Net Expenditure Budget	1,150,870,262	1,170,026,053
Parish Precepts		1,930,010
<b>Council Resource Requirement</b>	<b>1,150,870,262</b>	<b>1,171,956,063</b>
<b>Less:</b>		
Exceptional Financial Support request	(225,879,359)	(225,879,359)
Business Rates	(435,576,738)	(452,952,991)
Business Rates (surplus)/deficit	60,106,000	58,326,461
Revenue Support Grant	0	0
Top Up Grant	(73,322,603)	(73,322,603)
Council Tax Collection Fund (surplus)/deficit	4,221,000	4,221,000
<b>Council Tax Requirement</b>	<b>480,418,561</b>	<b>482,348,571</b>
Divided by taxbase (no. of Band D homes)	267,940	267,940
<b>Band D Council Tax</b>	<b>1,793.01</b>	<b>1,800.21</b>

2. Beyond 2024/25, this budget assumes a 9.99% increase in Council Tax for 2025/26, as noted in Section 12. This is a planning assumption; the actual tax rises will need to be formally approved by Full Council each year.

### Precepts

3. The Council also collects the precepts on behalf of other organisations and the impact of these on Council Tax is as outlined in the Table 2 below.

**Table 2 – Summary of Precepts for the 2024/25 financial year**

	Band D Council Tax 2023/24 £	Band D Council Tax 2024/25 £	Increase/ (Decrease) £	Date Precept Agreed
Birmingham City Council	1,630.16	1,793.01	162.85	
Fire and Rescue Authority	73.02	75.20	2.18	19 February 2024
West Midlands Police & Crime Commissioner	202.55	215.55	13.00	9 February 2024
New Frankley in Birmingham	43.52	43.20	(0.32)	29 January 2024
Royal Sutton Coldfield	49.96	49.96	0.00	31 January 2024

4. Further details of the individual precepts that make up the total proposed Council tax charges for the 2024/25 financial year are provided in Table 3 below:

**Table 3 – Impact of Precepts on the proposed Council Tax charge for the 2024/25 financial year**

	City Council £'000	Fire and Rescue Authority £'000	West Midlands Police & Crime Commissioner £'000	New Frankley in Birmingham Parish Precept £'000	Royal Sutton Coldfield Town Precept £'000
City Council Resources (Note 1)	924,991				
Less: Business Rates and Top-Up Grant	(508,899)				
<b>Equals: amount required from Collection Fund</b>	<b>416,092</b>				
Plus: estimated deficit in Collection Fund	64,327				
<b>Equals: amount required from Council Tax payers</b>	<b>480,419</b>	<b>20,149</b>	<b>57,754</b>	<b>59</b>	<b>1,871</b>
Divided by taxbase (Band D equivalent properties)	267,940	267,940	267,940	1,373	37,444
<b>Equals: Band D Council Tax (Note 2)</b>	<b>1,793.01</b>	<b>75.20</b>	<b>215.55</b>	<b>43.20</b>	<b>49.96</b>
Percentage Change in each element of Council Tax	9.99%	2.99%	6.42%	-0.74%	0.00%
<b>Total Band D Council Tax</b>			<b>2,083.76</b>	<b>2,126.96</b>	<b>2,133.72</b>

Note 1: This is the total forecast Council Tax and Business Rates income forecast for the 2024/25 financial year, see Table 1 in the main report.

Note 2: The Council Tax attributable to the Council includes a 2% precept to fund adult social care.

5. Based on the precepts calculated in Table 3 calculations, this leads to the following proposed Council Tax charges for the 2024/25 financial year, in Table 4 below.

**Table 4 – Summary of proposed Council Tax charges for the 2024/25 financial year**

					New Frankley in Birmingham		Royal Sutton Coldfield	
Band	City Council £	Fire and Rescue Authority £	West Midlands Police & Crime Commissioner £	Total excl. Parish Precept £	Parish Precept £	Parish Total £	Town Precept £	Town Total £
A	1,195.34	50.13	143.70	1,389.17	28.80	1,417.97	33.31	1,422.48
B	1,394.56	58.49	167.65	1,620.70	33.60	1,654.30	38.86	1,659.56
C	1,593.79	66.84	191.60	1,852.23	38.40	1,890.63	44.41	1,896.64
D	1,793.01	75.20	215.55	2,083.76	43.20	2,126.96	49.96	2,133.72
E	2,191.46	91.91	263.45	2,546.82	52.80	2,599.62	61.06	2,607.88
F	2,589.90	108.62	311.35	3,009.87	62.40	3,072.27	72.17	3,082.04
G	2,988.35	125.33	359.25	3,472.93	72.00	3,544.93	83.27	3,556.20
H	3,586.02	150.40	431.10	4,167.52	86.40	4,253.92	99.92	4,267.44

## **Appendix 3 – Reserves & Balances Policy**

### Introduction

1. This policy is based on the latest CIPFA guidance ([Bulletin 13 – Local Authority Reserves and Balances](#), updated March 2023).

### Reasons for holding reserves

2. Council maintains reserves for a variety of reasons. These include:
  - a) A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
  - b) A contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves;
  - c) A means of building up funds, often referred to as earmarked reserves to meet known or predicted requirements; earmarked reserves are accounted for separately but remain legally part of the General Fund.
3. As CIPFA Bulletin 13 notes, separate reporting of earmarked reserves has no financial reporting or legislative necessity though they are used extensively by local authorities and as such the Code requires separate disclosure of material earmarked reserves. As the statutory reserve is the General Fund Balance, it is possible within this balance for earmarked reserves to have debit balances. For example, where a reserve held for a specific service activity may have overspent and an authority requires that this balance is made good from next year's budget with such balances offsetting against general reserves in the calculation of the overall General Fund Balance.
4. The Council's policy on reserves is that reserves are not to be used to avoid the necessity to make ongoing savings or meet budget pressures other than in exceptional circumstances.
5. Reserves can only be used on a one-off basis, which means that their application does not offer a permanent solution.

### Types of Reserve

6. For statutory purposes, there is a single revenue reserve, the General Fund Balance. When reviewing their medium-term financial plans and preparing their annual budgets local authorities should consider the establishment of sub reserves

(known as earmarked reserves) within the General Fund Balance and maintenance of general reserves.

7. The Section 151 Officer proposes to hold the General Fund Balance at 5% of net expenditure for each financial year.
8. The Council's reserves can be split into the following categories:
  - a) General Reserves and Balances
  - b) Earmarked Reserves
  - c) Revenue Grant Related Reserves
  - d) Ringfenced Reserves
  - e) Capital Reserves
9. Within Earmarked Reserves, the Strategic Reserve is to be held as a contingency to cushion the impact of unexpected events or emergencies (as per paragraph 2 above). To access the Strategic Reserve, any request will have to be formally approved by the Section 151 Office and approved at Cabinet. It should be noted that any reserve spending for future years, even if it has received prior approval (through 151 board or previously) will need to come back the Section 151 Officer for approval within the 2024/25 financial year.

#### Legislative Framework

10. The requirement for financial reserves is acknowledged in statute. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.
11. The council is required to set a balanced budget each year under Section 31A of the Local Government Finance Act 1992, which includes having regard to the level of reserves needed for meeting estimated future expenditure when calculating the council tax requirement
12. Section 151 of the Local Government Act 1972 requires each local authority to make arrangements for the proper administration of their financial affairs and that the chief finance officer (also referred to as the section 151 officer) has responsibility for the administration of those affairs.

13. Under Section 25 of the Local Government Act 2003, the S151 officer has a duty to report on the robustness of estimates and adequacy of reserves when the authority is considering its council tax requirement
14. Section 114 of the Local Government Finance Act 1988 requires the S151 officer to report to all the authority's councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year.
15. Section 26 of the Local Government Act 2003 gives the Secretary of State a general power to set a minimum level of reserves for local authorities. However, the government has undertaken to apply this only to individual authorities in the circumstances where an authority does not act prudently, disregards the advice of its chief finance officer and is heading for serious financial difficulty.

## Appendix 4 – Grants appendix (summary of government income from grants)

Grant	2023/24 Budget £m	2024/25 Budget £m	Variation £m	2025/26 Budget £m
Market Sustainability and Improvement Fund	21.631	24.471	2.840	24.471
Adult Social Care Discharge Fund	9.522	15.812	6.290	15.810
Pure - ESF	1.690	0.000	(1.690)	0.000
Vulnerable Persons Resettlement Grant	0.195	0.018	(0.178)	0.000
Housing First Grant	0.775	0.000	(0.775)	0.000
Asylum Migration and Integration Fund	0.168	0.000	(0.168)	0.000
Local Reform and Community Voices Grant	0.803	0.803	0.000	0.803
UKRS Resettlement	0.270	0.333	0.063	0.191
Afghan Interpreters	1.338	2.832	1.494	1.676
Community Discharge Grant	0.517	0.000	(0.517)	0.000
Social Care in Prisons	0.168	0.168	0.000	0.168
War Pensions	0.094	0.094	0.000	0.094
MILE Project	0.010	0.000	(0.010)	0.000
Homes For Ukraine	0.000	0.708	0.708	0.000
DA	0.000	3.337	3.337	0.000
UK Shared Prosperity Fund	0.000	2.500	2.500	0.000
GBSLEP Skills fund ESF	1.039	0.000	(1.039)	0.000
Food Trials Horizon	0.199	0.128	(0.071)	0.128
Highways Management and Maintenance PFI Grant	50.311	0.000	(50.311)	0.000
Home Office - Prevent Projects Grant Stream	0.712	0.651	(0.061)	0.651
Illegal Money Lending	5.039	5.039	0.000	5.039
Scambusters (RIT)	0.552	0.552	0.000	0.552
Sutton Park Stewardship	0.098	0.098	0.000	0.098
Community Safety Fund	0.660	0.660	0.000	0.660
Nature Conservation	0.025	0.025	0.000	0.025
Lickey CP Ranger Hub	0.009	0.009	0.000	0.009
Housing Benefit Admin Grant	5.001	5.230	0.229	5.230
DWP - New Burdens Housing Benefit Admin Grant	0.572	0.503	(0.069)	0.503
Home Office Police & Crime Panel Grant 18-19	0.067	0.067	0.000	0.067
DCLG Transparency Grant	0.000	0.013	0.013	0.013
UC Implementation Support - Support for Complex Housing Cases	0.110	0.110	0.000	0.110
Maintain & or Increase Resources to Combat Income Related Fraud & Error	0.000	0.094	0.094	0.094
Verify Earnings & Pension Alerts Service 2018	0.461	0.461	0.000	0.461
MHCLG Local Council Tax Support Admin Grant	2.085	0.000	(2.085)	0.000
Public Health Grant	99.100	101.256	2.156	101.256
DCLG - Preventing Homelessness Grant	4.675	4.675	0.000	4.675
New Burdens - Homelessness Grant	2.706	2.801	0.095	2.801
Rough Sleeping Initiative	1.740	2.066	0.325	2.066
Schools PFI Grant	18.232	18.232	0.000	18.232
Youth Promise	2.054	0.000	(2.054)	0.000
Asylum Seekers	6.783	2.364	(4.419)	2.364
MOJ Turnaround Programme	0.661	0.000	(0.661)	0.000
Supported Accommodation Reforms	0.620	0.000	(0.620)	0.000

<b>Grant</b>	<b>2023/24 Budget £m</b>	<b>2024/25 Budget £m</b>	<b>Variation £m</b>	<b>2025/26 Budget £m</b>
GBSLEP Flexible Impact Fund	0.377	0.000	(0.377)	0.000
Strengthening Multi-Agency Leadership Grant	0.047	0.000	(0.047)	0.000
NDTI Supporting Internships	0.060	0.060	0.000	0.000
Extension of the Role of Virtual School Heads to certain Previously Looked After Children	0.077	0.077	0.000	0.077
UK Shared Prosperity Fund (SPF)	0.000	4.603	4.603	0.000
Commonwealth Games Legacy Fund (CWGLF)	0.255	0.547	0.292	0.000
Wraparound Childcare Programme Costs	0.063	5.051	4.988	2.325
Family Finding, Befriending and Mentoring Programme Funding	0.118	0.491	0.373	0.000
Rough Sleepers	0.094	0.094	0.000	0.094
Virtual School Head	0.152	0.152	0.000	0.000
Troubled Families	5.009	5.009	0.000	0.000
Youth Justice Good Practice Grant	2.439	2.439	0.000	2.439
New Remands Framework	1.525	1.525	0.000	1.525
Extended Rights to Free Travel	0.272	0.272	0.000	0.000
KS2 Moderation & Phonics Grant	0.027	0.027	0.000	0.000
Family Hubs & Start for Life	3.744	3.058	(0.686)	0.000
Holiday Activity & Food Programme	8.169	7.947	(0.221)	0.000
Cadet Funding	3.909	3.909	0.000	3.909
Early Career Framework	0.121	0.121	0.000	0.121
Early career framework (ECF) mentor training (NQT back funding)	4.043	4.043	0.000	4.043
Home to School Transport	0.038	0.038	0.000	0.038
National Professional Qualification (NPQ) (summer24)	0.523	0.523	0.000	0.523
National Tutoring Programme	0.229	0.229	0.000	0.229
Schools Supplementary Fund (MSAG)	43.739	43.739	0.000	43.739
Senior Mental Health Lead	4.586	4.586	0.000	4.586
Virtual School Head (children with social worker)	0.152	0.152	0.000	0.152
New Burdens	0.313	0.313	0.000	0.313
Staying Put Grant	0.734	0.734	0.000	0.734
<b>Directorate Grants</b>	<b>321.506</b>	<b>285.848</b>	<b>(35.658)</b>	<b>253.093</b>
<b>Expenditure Reimbursement Grants</b>				
Rent Allowance Grant	404.362	408.406	4.044	408.406
HRA Rent Rebates Grant	116.802	113.298	(3.504)	113.298
DWP - Discretionary Housing Grant	2.689	2.689	0.000	2.689
Higher Education Funding Council (HEFC)	0.501	0.422	(0.079)	0.391
<b>Sub-total Expenditure Reimbursement Grants</b>	<b>524.355</b>	<b>524.815</b>	<b>0.460</b>	<b>524.784</b>
<b>Direct Schools Funding Grants</b>				
Dedicated Schools Grant (DSG)	720.617	796.635	76.018	828.500
Coronavirus (COVID-19) Recovery Premium	1.656	1.656	(0.000)	1.656
Pupil Premium Grant	43.739	38.500	(5.239)	38.500
Primary PE and Sport Grant	3.129	3.616	0.487	3.761
Teachers Pay Grant	3.909	3.900	(0.009)	3.900
Teachers Pensions Grant	0.861	1.104	0.243	1.104

Education Funding Agency - Grant for Post 16 Provision	8.700	9.500	0.800	9.880
<b>Grant</b>	<b>2023/24 Budget £m</b>	<b>2024/25 Budget £m</b>	<b>Variation £m</b>	<b>2025/26 Budget £m</b>
Universal Infant Free School Meals	6.601	7.000	0.399	7.000
<b>Sub-total Direct Schools Funding Grants</b>	<b>789.212</b>	<b>861.910</b>	<b>72.699</b>	<b>894.300</b>
Small Business Rate Relief Grant	91.801	99.653	7.852	102.941
Mag. Courts - LCD Grant Re. Debt Charges	0.059	0.059	0.000	0.059
Improved Better Care Fund	67.915	67.915	0.000	67.915
Top Up Grant	69.302	73.323	4.021	73.323
Social Care Support Grant	106.475	138.630	32.155	127.000
Service Grant	14.488	2.300	(12.188)	2.300
Business Rates Multiplier Cap Grant	59.744	65.849	6.105	69.750
New Homes Bonus	1.350	3.006	1.656	3.006
National Levy Surplus	3.004	0.000	(3.004)	0.000
<b>Corporate Grants</b>	<b>414.138</b>	<b>450.735</b>	<b>36.597</b>	<b>446.294</b>
<b>Total Grants</b>	<b>2,049.211</b>	<b>2,123.309</b>	<b>74.098</b>	<b>2,118.472</b>

## Appendix 5 – Housing Revenue Account

### Strategic Overview and HRA Business Plan

1. The HRA Business Plan sets out a strategic long-term investment plan that supports the management, maintenance, and investment in Birmingham City Council homes and other commercial assets where relevant. The Council have always operated a 30-year, long-term approach to investment and direct delivery of affordable homes through the HRA.
2. However, changes to the regulatory landscape, responding to challenges post Grenfell and the impact of these decisions on Decent Homes Standards, means we have needed to review our approach and invest differently
3. The plan sets out investment in the Council's existing stock portfolio, as well as investment in direct delivery of new homes; given the nature of the regulatory environment, we have reviewed our investment approach to strike the right balance, making sure residents live in high-quality homes, whilst continuing to contribute to the supply of affordable housing.
4. Most notably to this new plan is the step-change in planned investment in existing stock; increasing our total investment over the next 30 years from the £2.264bn that was agreed in the 23/24 financial plan, to £4.581bn proposed in the new plan.
5. The plan includes £4.326bn of investment needed to ensure all our homes meet statutory and compliance obligations; £0.554bn of investment to develop a direct delivery pipeline of affordable homes and estate regeneration; £0.255bn of investment towards decarbonisation; and c£0.100bn of revenue to deliver quality services to our residents.

### HRA Budget 2024/25

6. The HRA Self Financing Business Plan 2024+ was approved by Cabinet in January 2024. A summary is included below.
7. The comparison of the HRA budget for 2023/24 and the proposed budget for 2024/25 is set out in Table 7.1 below

**Table 7.1 HRA Budget 2023/24 and 2024/25**

	2023/24	2024/25	Change	Change
	£m	£m	£m	%
Repairs	79.093	97.943	18.85	23.8%
Management	105.29	101.719	(3.571)	(3.4%)
Bad Debt Provision	5.558	5.647	0.089	1.6%
Debt Financing Costs	49.825	54.153	4.328	8.7%
Contributions for Capital Investment	63.828	67.281	3.453	5.4%
Contribution to Reserve	0	0.251	0.251	
<b>Total Expenditure</b>	<b>303.594</b>	<b>326.994</b>	<b>23.4</b>	<b>7.7%</b>
Rental Income (net of Voids)	(275.878)	(300.884)	(25.006)	9.1%

Other Income/Service Charges	(27.716)	(26.110)	1.606	(5.8%)
<b>Total Income</b>	<b>(303.594)</b>	<b>(326.994)</b>	<b>(23.400)</b>	<b>7.7%</b>

## HRA Business Plan 2024+ – Short Term and Long-Term Financial

8. The revenue aspects of the HRA Business Plan 2024+ are summarised below:

**Table 7.2 HRA Business Plan 2024+**

	2024/25	2025/26	2026/27	2027/28	2028/29	Year 1-10
	£m	£m	£m	£m	£m	£m
Repairs & maintenance	97.943	99.858	88.099	89.995	91.899	961.024
Management	101.719	101.814	103.545	105.217	106.265	1,085.434
Bad debts	5.647	5.297	4.044	4.298	4.565	51.176
Capital Financing Capital Programme Funding	54.153	61.993	69.174	75.843	83.018	826.478
Minimum reserve build	0.251	2.666	2.920	3.191	2.663	17.692
<b>Total Revenue</b>	<b>326.994</b>	<b>337.292</b>	<b>347.381</b>	<b>358.199</b>	<b>368.994</b>	<b>3,761.646</b>
<b>Expenditure</b>						
Rental Income	(300.884)	(309.011)	(318.624)	(328.996)	(339.380)	(3,466.538)
Service Charge	(20.950)	(23.093)	(23.490)	(23.896)	(24.247)	(243.573)
Other Income	(5.160)	(5.189)	(5.267)	(5.308)	(5.367)	(51.535)
<b>Total Revenue Income</b>	<b>(326.994)</b>	<b>(337.292)</b>	<b>(347.381)</b>	<b>(358.199)</b>	<b>(368.994)</b>	<b>(3,761.646)</b>

## Capital Programme

9. The capital expenditure plans for the council housing stock are set out in below (including the major programmes and the financing of the expenditure).

**Table 7.3 Capital Expenditure**

	2024/25	2025/26	2026/27	2027/28	2028/29	Year 1-10
	£m	£m	£m	£m	£m	£m
Housing Improvement Programme	215.533	218,529	221,751	225,143	228,608	1,884.947
Clearance	6.267					6.267
Development/Acquisition	46.286	67,609	45,306	41,714	40,497	477.712
<b>Total Investment</b>	<b>268.086</b>	<b>286,138</b>	<b>267,057</b>	<b>266,857</b>	<b>269,105</b>	<b>2,368.926</b>
Major Repairs Reserve	(59.192)	(60.530)	(62.137)	(63.687)	(65.301)	(664.790)
RTB Receipts	(19.424)	(12.075)	(26.905)	(18.041)	(17.672)	(150.332)
1-4-1 Receipts	(15.399)	(16.915)	(10.844)	(4.901)	(6.097)	(100.577)
Other Receipts, reserves and grants	(13.653)	(6.366)	(2.800)	(2.027)	(1.670)	(31.266)
Revenue Contributions	(8.089)	(5.133)	(17.462)	(15.969)	(15.284)	(155.052)
HRA Borrowing	(152.329)	(185.119)	(146.910)	(162.232)	(163.082)	(1,266.909)
<b>Total Financing</b>	<b>(268.086)</b>	<b>(286.138)</b>	<b>(267.057)</b>	<b>(266.857)</b>	<b>(269.105)</b>	<b>(2,368.926)</b>

## **Appendix 6 – Schools & Dedicated Schools Grant**

### **Dedicated Schools Grant Conditions**

1. The Dedicated Schools Grant is a ringfenced specific grant and it must be used in support of the school's budget as defined in the School and Early Years Finance (England) Regulations 2023. It can be used for no other purpose.
2. At the end of each financial year the Chief Finance Officer (CFO) of the local authority is required to append an additional note to the statement of accounts confirming the deployment of the DSG in support of the schools budget as required by the Accounts and Audit (England) Regulations 2015.
3. The Secretary of State reserves the right to recover the grant where there is evidence that a local authority has used it for any purpose other than to support the school's budget or has failed to comply with any other condition of grant.
4. The allocation of DSG funding is governed and managed in conjunction with the Schools' Forum.
5. The basis of allocation to schools and other providers is underpinned by national funding regulations and is different for each of the blocks of the DSG.

### **Summary of Funding**

6. The total DSG funding for Birmingham in 2024/25 of £1,574million comes through four blocks of funding.
7. The ESFA currently recoups an amount from the DSG allocation to directly passport to academies and free schools and the Council is then responsible for the remaining budget. At the time of writing this report, the schools recoupment amount has not been announced by DfE/ESFA, but for scale purposes £694.0m was recouped in 2023/24 and has been used as a draft figure.
8. ESFA also recoup £7.8million from BCC to fund National Non-Domestic Rates for Schools.
9. A summary of funding is set out in the tables below. The comparable year on year increase/(decrease) in DSG by individual blocks is shown in Table 8.1:

**Table 8.1: Dedicated Schools Grant Funding (for all schools)**

<b>Block</b>	<b>Gross Allocation 24/25</b>	<b>Recoupment</b>	<b>Allocation after Recoupment 24/25</b>	<b>Increase from 2023/24</b>
Schools Block	1,147,185,334	701,802,312	445,383,022	5.66%
High Needs Block	283,571,566	34,988,739	248,582,827	4.99%
Early Years Block	135,744,519	0	135,744,519	48.66%
Central Schools Services Block	8,297,720	0	8,297,720	0.64%

<b>Total DSG</b>	<b>1,574,799,139</b>	<b>736,791,051</b>	<b>838,008,088</b>
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*\*\* Schools recoupment for 2024/25 will not be known until March 2024 so the latest 2023/24 recoupment figure has been shown for illustrative purposes*

10. In addition, for maintained schools in Birmingham (academy schools receive their funding direct from ESFA) there should be the following additional funding streams (figures based on 2023/24 allocations as DfE/ESFA have not finalised 2024/25 allocations at the time of writing).

**Table 8.2: Other School Funding for Maintained Schools (based on 2023/24 allocations)**

<b>Grant</b>	<b>£m</b>
Pupil Premium Grant	43.7
Sixth Form Funding	8.1
Universal Infant Free School Meals (UIFSM) Grant	7.5
PE & Sports Premium	3.2

### **Schools Block**

11. Each year local authorities are required to detail their Schools Block Funding formulae in accordance with the arrangements set out by the Secretary of State for Education. The Education and Skills Funding Agency (ESFA) has developed the Authority Proforma Tool (APT) to assist local authorities to model, and then confirm how they plan to do this for the funding year.
12. The total allocation as at 19th December 2023 for Birmingham's Schools Block is £1,147m.
13. Final allocations of mainstream schools and central schools services funding for 2024-25 has been calculated based on the latest pupil data at that point (October 2023).
14. The final version of the APT was released in December 2023 and was returned to the ESFA on 19 January 2024. On 18 January 2024, the Schools Forum agreed and approved the principles on which Birmingham's APT submission was to be based.

### **Central Schools Services Block**

15. The Central School Services block (CSSB) was established by the DfE in 2018/19 with the aim of funding Local Authorities for statutory duties they hold for both maintained schools and academies. It brings together:
  - a. Funding for ongoing responsibilities, such as admissions
  - b. Funding previously allocated through the retained duties element of the education services grant (ESG)
  - c. Residual agreed funding for historic commitments

16. The CSSB covers funding allocated to LAs to carry out central functions on behalf of pupils in maintained schools and academies in England. CSSB funding is split into two elements: funding for ongoing responsibilities and funding for historic commitments, and LAs' total CSSB NFF funding is the sum of these two values.

17. The Total CSSB 2024/25 Allocation is confirmed as £8,297,720, which is an overall increase of £52.3k compared to 2023/24.

18. This overall change disguises two important factors, regarding DfE's overall calculation:

(i) for 2024/25 Birmingham Council has lost 20% of its funding for historical commitments

(ii) has gained 3% for its other responsibilities

	Historical Commitments	Ongoing Commitments	Total CSSB
23/24	922,420	7,322,927	8,245,347
24/25	737,936	7,559,784	8,297,720
Variance	-184,484	236,857	52,373
Percentage Change	-20%	3%	1%

## Early Years Block

19. Within the framework for the Early Years block of the DSG there are several requirements for LA's which are intended to ensure that funding is fairly distributed to providers. These are:

- a. A minimum amount of funding that must be passed through to providers (95%)
- b. A universal base rate for all types of provider
- c. Supplementary funding for Maintained Nursery Schools (ringfenced to MNS only)
- d. A maximum cap of 10% on the amount of funding that can be used for the mandatory and discretionary supplements
- e. A Disability Access Fund linked to children that access Disability Living Allowance
- f. A requirement for a SEND inclusion fund (in Birmingham this is known as ISEY – Inclusion Support in Early Years)

20. The Early Years Block 2024/25 Allocation was confirmed as £135,744,519, an increase of over £35million compared to 2023/24. This was due to the reforms within the Early Years Sector being phased in nationally from April 2024.

21. At the Spring Budget in March 2023 the Government set out large scale childcare reforms to increase availability, reduce costs and increase the number of parents

using it by helping working families with their childcare costs. The new entitlements will be introduced in phases from April 2024 as follows:

- a. from April 2024, eligible working parents of 2-year-olds can access 15 hours per week;
- b. from September 2024, eligible working parents of children aged 9 months up to 3-years-old can access 15 hours per week;
- c. from September 2025, eligible working parents of children aged 9 months up to 3-years-old can access 30 hours free childcare per week.

22. The current reserve figure for the Early Years Block is a balance of £6.5million. Out of this balance £1.5million is to be earmarked to cover any historical discrepancies that have arisen over the last two financial years and are currently being resolved with the sector.

### **High Needs Block and SEND**

23. The confirmed 2024/25 High Needs Allocation is £283million before recoupment and £248million after recoupment. The recoupment represents the Special School Academies who receive their Place Funding directly from ESFA and not via the Local Authority.

24. Details of the proposed High Needs budget will be taken to Schools Forum in March 2024 and reported to Cabinet through the budget monitoring cycle throughout 2024/25.

25. Birmingham have received an increase of 4.99% on their High Needs Allocation compared to 2023/24.

26. In previous financial years a repayment plan has been set up to clear the deficit on the High Needs Block. In 2022/23 the final repayment was made and these repayments are no longer required and the reserve balance of the High Needs Block is now in Surplus.

## **Appendix 7 – Capital Strategy**

### Introduction

1. The purpose of the Capital Strategy is to set out how the Council aims to use its resources to support corporate priorities and objectives. It identifies the main influences for the capital programme, the key resources that are likely to be available to fund capital investment and the effect of that investment on the revenue budget and borrowing and treasury management activity.
2. The capital strategy has been prepared having regard to CIPFA's Prudential Code and Treasury Management Code.

### Objectives

3. The main objectives for the Capital Strategy are to:
  - a) Support the Council's vision and priorities.
  - b) Support service delivery strategies;
  - c) Support asset management plans for Council assets;
  - d) Ensure that investments are affordable and sustainable;
  - e) Ensure use of resources and value for money is maximised; and
  - f) Support and encourage inward investment in Birmingham.
4. Since the issue of the s114 notice in September 2023 and in recognition of the financial situation of the Council the scope for council funded capital investment is extremely restricted. The overall objective of this Capital Strategy is for capital investment to support the Council's Financial Recovery Plan. This will be achieved by:
  - a. Ensuring capital investment is prudent, sustainable, and affordable in the context of the Council's overall finances;
  - b. Keeping borrowing and revenue costs of the capital programme to the absolute minimum, effectively for Statutory or Regulatory compliance or where it produces revenue savings to the Council;
  - c. Integrating capital budget decisions into the Council's annual, medium- and long-term planning process, so that capital investment decisions are prioritised alongside plans for revenue income and expenditure;

- d. Ensuring stewardship of assets including the Council's land and buildings and generating cash receipts from the Council's asset base thereby minimising impact on frontline service delivery;
  - e. Co-ordinating the management of capital through the Capital Board, which oversees a 'one Council' strategic approach to capital management, evaluation and prioritisation potential capital projects; and
  - f. Ensuring effective programme, project, and procurement management in delivering the capital programme alongside corporate monitoring control and scrutiny.
5. It is important to note that the Capital programme is a resource and expenditure planning tool and does not confer approval for individual budget items to proceed. Individual budgets will not proceed to spend until there has been an executive decision which would normally include 'Gateway' business case appraisals at Strategic Outline Case (capital budget proposal stage), Outline Business Case, and Full Business Case.

#### The Council's Priorities

6. The Council faces exceptional financial, governance, and cultural challenges that must be addressed to deliver the services that our citizens need, expect, and deserve. The Council's Corporate Plan which sets out the vision and strategic priorities of the Council is currently being reviewed and refreshed to reset its relationships with residents, businesses, and all communities in Birmingham, as well as resetting the council's finances.
7. An Improvement and Recovery Plan (IRP) will describe the actions necessary to bring about change and restore public trust across the authority's functions.
8. The IRP will be focussed on three key themes:
- a. Financial sustainability – This theme is focussed on financial recovery and achieving a stable and sustainable budget position and medium-term financial plan. It includes the workstreams set out in the Financial Recovery Plan and will address the exceptional financial challenges and risks facing the council.
  - b. A well-run council – This theme is focussed on the internal services and functions that enable and support the council to deliver services to citizens. Key programmes and projects include Oracle stabilisation, reviews of key

corporate functions, and activity to respond to the recommendations of the governance review.

- c. Delivering good services – This theme is focussed on improving key services delivered to citizens. It will include improvement of services, and a programme of service reviews to secure consistency and value for money in our service delivery, and achieve better outcomes for citizens.

- 9. The Council works with a wide range of partners from the public, private, voluntary and community sectors, all of which have an influence over its spending priorities. In relation to its capital investment plans, efforts will be made to work effectively with partners to maximise and bring in external investment and resources to deliver investments needed in light of the reduced capacity of the Council to directly fund capital investment in future.

#### Key drivers and influences on the Capital Programme

- 10. Key drivers and influences for the Council's capital programme include:
  - a. The Council's property, plant and equipment is valued at approximately £7 billion. Reforming this portfolio to be fit for the Council's future needs and service delivery models is a key focus and support delivery of the Council's recovery plan.
  - b. The Council's school's estate continues to evolve under the influence of academisation and other national policies, but it remains a sizeable asset portfolio, and the Council has a duty to ensure there are sufficient school places.
  - c. Economic regeneration and transport remain key priorities for the city's future prosperity including driving sustainable inclusive growth and tackling externalities as part of our net zero and air quality agendas. The HS2 rail terminal at Curzon Street station represents a major regeneration and connectivity opportunity, which forms part of the city's Enterprise Zone.
  - d. Aside from Enterprise Zone resources, delivery in respect of regeneration and transport including the tackling of externalities should maximise external grant funding available from Government, the West Midlands Combined Authority (current City Regional Sustainable Transport Settlement and Single Settlement commencing from 2027) and the use of ringfenced income such as

the Clean Air Zone net proceeds set in the context of eligible application in accordance with the Transport Act 2000 and associated statutory instruments.

- e. Meeting the housing needs of Birmingham remains a major priority, both within the Council's HRA, and through its support for other housing development both for sale and for private rented accommodation.
  - f. It is anticipated that Government will confirm Investment Zone (IZ) and Growth Zone (GZ) designations during 2024/25. The Investment Zone will provide WMCA with a total government grant package of £160m over ten years. £12m of this grant has been provisionally allocated to projects in Birmingham, and it is expected that further allocations will be made subject to agreement through an IZ Joint Committee. The IZ and GZ designations will also provide the Council with a 25-year business rate retention (BRR) facility over an area of 310 hectares with an estimated total uplift value of £1.1 billion above the 2023 baseline.
  - g. Value for money initiatives where capital investment can drive revenue savings either now or in the future. Such initiatives will require credible business cases before proceeding.
11. These key capital and infrastructure needs for the coming years cannot be delivered by the Council on its own. Partnership working is an essential part of addressing these needs and is reflected in many of the Council's capital plans.
12. A key element of financial recovery, outside of the Revenue savings referred to in Section 9 of this report, has been a review and assessment of the existing capital programme and assets within the Council. This has resulted in a significant reduction in the previous capital programme that is not funded by external resources (i.e., that is not cost neutral to Council resources). The asset review is intended to generate capital receipts for the Council in order to support the formal application for a Capitalisation Direction towards the Council's potential Equal Pay accounting liability; the costs involved in the redundancy scheme; and support to deliver a balanced budget for the 2024/25 financial years.
13. Following a recent review, the Flexible Use of Capital Receipts programme has been reduced significantly and the use of Prudential Borrowing has been restricted to the HRA, Enterprise Zone (cost neutral to the General Fund), revenue saving or capital receipt generating initiatives such as Temporary Accommodation and Perry

Barr Regeneration. A small amount of essential or contractually committed projects will continue in the short term but in future all essential projects will need to be funded from sources other than borrowing. By 2027/28 borrowing for projects other than the HRA and the Enterprise Zone is projected to be nil.

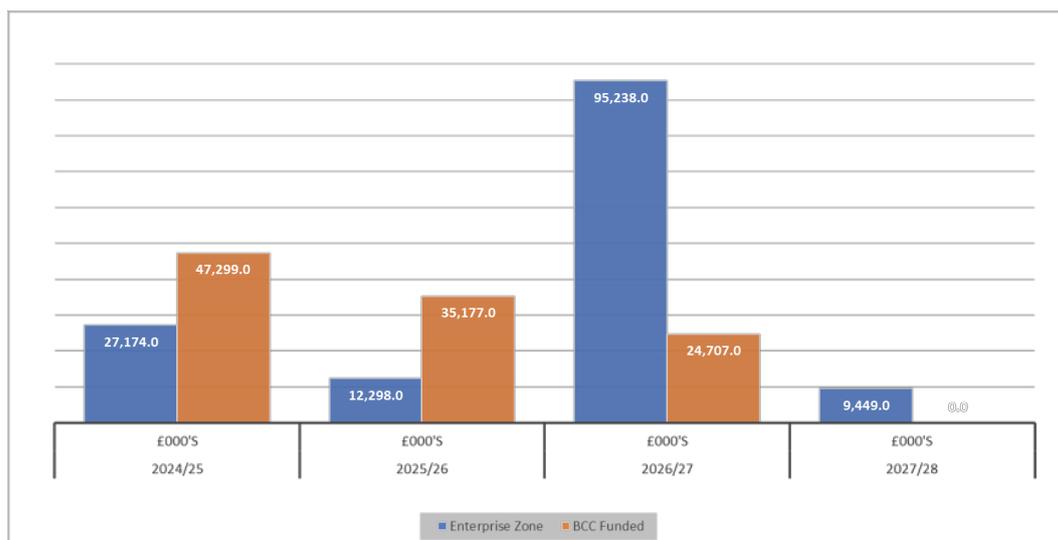
### Capital Resources

14. The Council's capital programme is approved as part of the annual budget setting process, and is funded from a range of sources which principally include:
  - a. Grants and Contributions;
  - b. Capital receipts;
  - c. Revenue and reserves; and
  - d. Prudential borrowing.
15. Grants and Contributions – Grants from external sources are a valuable source of capital funding for the Council and have enabled the Council to realise a substantial number of capital developments that it would not otherwise have been able to progress. Some capital projects are financed wholly or partly through external grants and contributions that are specific to projects and cannot be used for other purposes. Significant developments across the city are often liable for contributions to the Council in the form of section 106 or a Community Infrastructure Levy (CIL) which are also included in this category.
16. Capital Receipts – Capital receipts come from the sale of the Council's assets, usually land and buildings. The Council's general policy is to treat all capital receipts as a corporate resource, enabling the funds from all asset disposals to be used to support the priorities identified by the Council through the capital programme. All previous capital receipt earmarking policies are to be discontinued unless covered by specific agreements with other organisations.
17. To support the Council's financial recovery plan, a programme of asset disposals has been developed to generate additional capital receipts to prioritise funding of any capitalisation directions granted by the Government under its Exceptional Financial Support programme.
18. Revenue and Reserves – The Council may choose to utilise revenue contributions to capital to finance its capital investment. This would be through contributions from

the Council’s revenue budget or from reserves. In light of the Council’s current financial position, funding from this source will be limited. The HRA Capital Investment Programme is entirely funded from the ring fenced HRA account. The investment programme is driven by a long term HRA Business Plan.

19. Prudential Borrowing – Local authorities may borrow to finance capital expenditure, and the affordability of debt is the key constraint. The Council has used the prudential borrowing freedoms actively and successfully to deliver key outcomes for the Council, including investment in regeneration (e.g., Grand Central and the EZ), housing, and wellbeing facilities.
20. Prudential borrowing continues to be an important way to fund the Council’s own priorities where external funding cannot be obtained. However, considering the Council’s financial situation it will keep borrowing to an absolute minimum and with a view of making this nil over the medium term (except for Enterprise Zone funding). This policy requires careful prioritisation of projects reliant on debt finance, which will be carried out as part of the annual financial planning process.
21. The graph below shows planned Prudential Borrowing for the General Fund split between Enterprise Zone and Birmingham City Council funded projects for the periods 2024/25 to 2027/28. It demonstrates how prudential borrowing falls from £47.3m in 2024/25 to nil in 2027/28 (non EZ related programmes).

**Figure 1 – General Fund Prudential Borrowing**



22. The cost of borrowing will be recharged to the service concerned, where the Council is under a statutory obligation to do so (e.g. the HRA); where the Council has agreed with its partners to do so (e.g. the Enterprise Zone); and where it is good

management for borrowing costs to be accounted for as part of an overall project (e.g. where financial or property investments are funded from borrowing). This recognises that borrowing is not a free resource but has a revenue cost.

### Overview of the Capital Programme

23. Based on the above strategy to support the delivery of the Council’s priorities, the proposed Capital Programme totals **£534.1m** in 2024/25 and **£1,797.7m** on an indicative basis over the four-year period, shown as follows:

**Table 1 – Summary Capital Programme by Directorate**

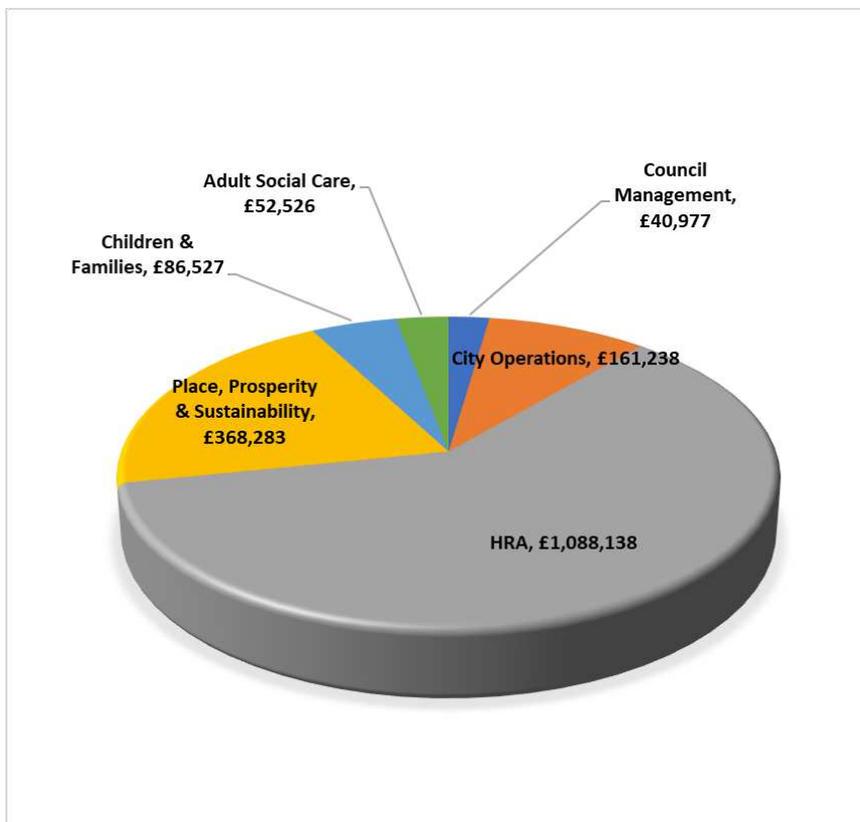
Directorate	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	TOTAL £'000
Council Management	29,134	6,843	2,500	2,500	<b>40,977</b>
City Operations	78,728	45,877	32,185	4,448	<b>161,238</b>
City Housing	-	-	-	-	-
Place, Prosperity & Sustainability	102,613	75,801	168,983	20,886	<b>368,283</b>
Childrens and Families	41,980	44,547	0.0	0.0	<b>86,527</b>
Adult Social Care	13,597	13,043	12,943	12,943	<b>52,526</b>
<b>General Fund Capital Programme</b>	<b>266,052</b>	<b>186,111</b>	<b>216,611</b>	<b>40,777</b>	<b>709,551</b>
<b>HRA Capital Programme</b>	<b>268,086</b>	<b>286,138</b>	<b>267,057</b>	<b>266,857</b>	<b>1,088,138</b>
<b>Total Capital Programme</b>	<b>534,138</b>	<b>472,249</b>	<b>483,668</b>	<b>307,634</b>	<b>1,797,689</b>

24. The programme includes provision for:
- a. Investment in Council housing through the HRA of £1,088.1m;
  - b. £350.8m on roads and transport infrastructure;
  - c. £8.0m investment in Digital and Customer Services;
  - d. Continuing commitment to the funding of development in the Enterprise Zone totalling £137.2m over the next four years, including investment to enable Birmingham to get the most out of the HS2 Curzon railway station;
  - e. £70.2m for the Waste Management Service Strategy including replacement vehicles, depot refurbishment and weekly food collection infrastructure;
  - f. £52.5m in Adult Social Care including Independent Living; and

g. Major investment in Education and Skills of £86.5m

- 25. Table 7.1 below provides further details of the capital programme, including a summary of the projects included.
- 26. New projects have been identified through the Council's financial planning process and added to the capital programme. These total £41.8m including additional investment in Waste Management services, critical investment in Digital and Customer Services and remedial works to Bordesley Park. Further details are shown in Table 7.1 below.
- 27. Further pressures totalling £59.1m have also been identified for additional critical investment in Digital & Customer Services and car park charging in parks across Birmingham. These proposals are however subject to further review and will only be included in the capital programme once the relevant approvals are in place. Further details are provided in Table 7.2 below.
- 28. The updated Capital Programme for £1,797.7m for the next four years is therefore shown as follows in chart format:

**Figure 2 – Capital Programme split (all figures in £'000s)**

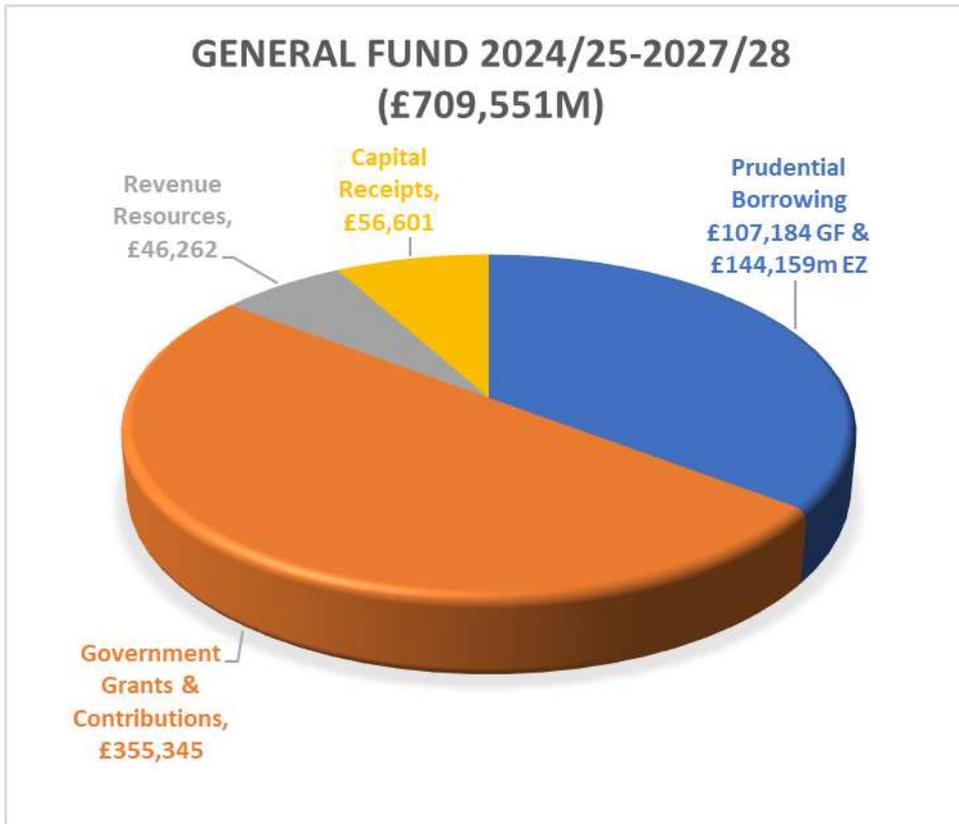


29. A General Fund capital policy contingency of £19.2m has been included in this budget to manage potential or unexpected needs over the medium term. The use of the contingency will be managed by the Capital Board and approved in accordance with the Council's constitution.
30. Much of the capital programme is delivered through partnership working, especially with the WMCA and the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP). The Council acts as Accountable Body for the GBSLEP, and carries out significant prudential borrowing in support of the Enterprise Zone (EZ), with financing costs being funded by Business Rates growth within the EZ. This is controlled through Financial Principles agreed by the LEP with the Council.

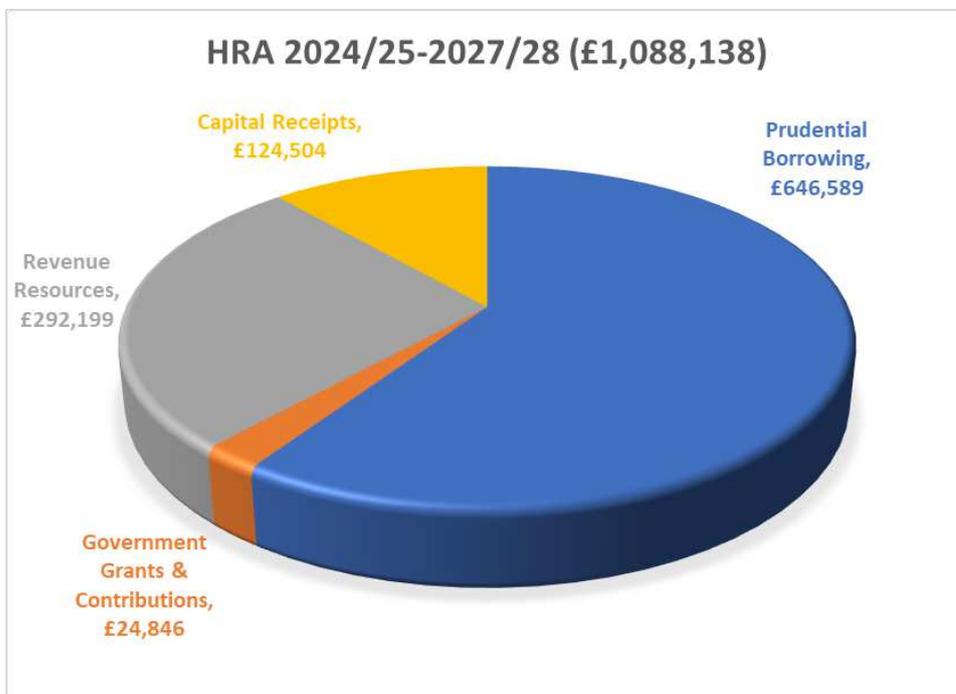
#### Overview of the Funding of the Capital Programme

31. Resources of £1,797.7m have been identified to fund the four-year capital programme from 2024/25 to 2027/28. The following graphs show the resources available for the General Fund and HRA separately:

**Figure 3 – Capital Financing – General Fund (all figures in £'000s)**



**Figure 4 – Capital Financing – HRA (all figures in £'000s)**



32. A significant part of the Council’s capital resources can only be used for specific and designated purposes. These are referred to as specific resources. This includes

capital grants and contributions of £380.2m, revenue resources of £338.5m and HRA capital receipts of £124.5m. Cabinet during the year may, if required, approve additional budgets funded by additional external resources.

33. Some capital resources are available without significant restrictions, and the Council has more freedom to allocate these towards its own priorities as set out in the Council Plan. These are referred to as corporate resources and comprise mainly capital receipts from asset sales and borrowing under the prudential system of capital finance for local authorities.
34. Corporate resources of £954.5m have been budgeted for use to finance the capital programme over the coming four years. £646.6m of this relates to the HRA Capital programme. This includes the use of prudential borrowing and capital receipts from asset sales. Revised or additional capital budgets funded from corporate resources may be approved by Cabinet, however additional prudential borrowing must be approved by full Council if the borrowing costs are not funded by additional income, savings or budget virements. No substantial increases in prudential borrowing or the use of capital receipts will be agreed outside of the annual budget process.
35. The Council's capital financing plans seek to make use of available resources in the most efficient way, including borrowing in accordance with the Prudential Code for local authority capital finance. £887.9m of prudential borrowing is included in the four-year capital plans, within the framework and policies set out in this capital strategy, further described below.
36. Revenue reserves associated with net surplus income from the Clean Air Zone and Bus Lane Enforcement form an important part of the capital programme, providing additionality and helping lever other funding by forming a local funding contribution to match other grant resources. Resources have been allocated to ensure delivery of key public transport infrastructure (bus and rail) as part of strong partnership working with Transport for West Midlands as an example.
37. Final decisions on the funding of the capital programme will be taken by Cabinet in the Outturn report after the end of each financial year.
38. A breakdown of the resources used in financing the capital programme is at Table 7.3 below.

## Prudential Borrowing

39. The Council will manage its use of borrowing in accordance with CIPFA's Prudential Code. A prudent policy for debt repayment is set out in the Minimum Revenue Provision policy at Appendix 8C. General Fund borrowing costs (including interest and repayment charges) in 2024/25 represent 22.1% of the net revenue budget, which reflects a substantial investment in capital but reduces the resources which would be otherwise available for other revenue priorities. The Council will aim to keep future borrowing to a minimum and only where it is absolutely necessary.
40. Local authorities are required by law to set an overall limit on their debt outstanding, including loans and other long-term liabilities. This 'prudential limit' may not be exceeded, so the Council's proposed limit allows for risks, uncertainties, and potential changes during the year which may need to be accommodated within this overall limit. On this basis, the Prudential Limit for Debt has been set at £4,800.0m for 2024/25, £5,000.0m in 2025/26, £5,000.0m in 2026/27 and £5,000.0m in 2027/28.
41. The authorised prudential limit is calculated as follows:

**Table 2 – Forecast Debt and Authorised Prudential Limit Based on the Current Capital Programme**

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Forecast opening gross loan debt	3,483,700	3,605,500	3,727,800	3,812,300
<b>Capital expenditure financed from borrowing</b>				
- Self Funded	198,100	204,100	263,800	171,700
- Requiring budget support	28,700	28,500	3,100	0
Other cash flows	16,000	16,500	(50,400)	52,900
Less loan debt revenue repayment provision	(121,000)	(126,800)	(132,000)	(132,500)
<b>Forecast closing gross loan debt</b>	<b>3,605,500</b>	<b>3,727,800</b>	<b>3,812,300</b>	<b>3,904,400</b>
Closing PFI and similar debt liabilities	324,000	297,000	275,400	252,400
<b>Forecast closing debt (loans, PFI, etc)</b>	<b>3,929,500</b>	<b>4,024,800</b>	<b>4,087,700</b>	<b>4,156,800</b>
Allowance for planned cashflows, day to day fluctuations and other potential borrowing	870,500	975,200	912,400	843,200
<b>Authorised Prudential Limit for Debt</b>	<b>4,800,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b>Analysis of forecast closing debt:</b>				
General Fund Debt	2,642,400	2,550,800	2,466,700	2,373,600
HRA Debt	1,287,100	1,474,000	1,620,900	1,783,200

42. Table 7.4 below analyses planned prudential borrowing between projects which are self-financed through additional income or savings, and projects whose borrowing

requires additional budget support. The Council's revenue budget includes provision to meet the net cost of all the above borrowing.

43. The CIPFA Prudential Code expects local authorities to consider and approve a number of 'prudential indicators'. These relate to the capital programme generally as well as borrowing, and are set out in Appendix 8D.
44. The Council's debt liabilities and its investments arising from day-to-day cashflows need careful management in order to manage the costs and risks. This is the subject of the Council's Treasury Management Strategy and Policies, which are set out at Appendix 8.

#### Managing the Capital Programme

45. The Council maintains comprehensive and robust policies and procedures for managing and monitoring its Capital Programme. Briefly, this comprises the following:
  - a. The Capital Strategy is agreed annually. The Capital Programme is agreed annually by City Council as part of the budget setting process. Variations to the Capital Programme or in-year additions – subject to delegation – will be agreed by Cabinet.
  - b. The Capital programme is a resource and expenditure planning tool and does not confer approval for individual budget items to proceed. Individual budgets will not proceed to spend until there has been an executive decision which would normally include 'Gateway' business case appraisals at Strategic Outline Case (capital budget proposal stage), Outline Business Case, and Full Business Case. They must support good decision making and provide adequate justification for the proposal being put forward.
  - c. This process appraises options to deliver desired outputs, sets out the rationale to support the recommended solution, and identifies capital and revenue implications and funding. Account is also taken of the outcome of consultations, equality and risk assessments, and contribution to the Council's strategic objectives.
  - d. Capital priorities for new projects and programmes will be focussed on the following areas:
    - i. Statutory requirements and other legal commitments

- ii. Proposals which support revenue savings, income or service modernisation
  - iii. Council Plan driven expenditure funded from external grants and contributions, especially where it supports key priorities.
  - iv. Projects also need to demonstrate that they represent value for money and are deliverable at an appropriate risk.
  - v. Maximizing external funding which supports the Council's priorities, and supplement this with the Council's own resources where appropriate.
- e. Revised or additional capital budgets may be approved by Cabinet, within the constraints of the Constitution regarding additional borrowing and the Council's Prudential borrowing limit. This includes Cabinet approval to additional external resources allocated to the Council. It is intended that no substantial increases in prudential borrowing or the use of capital receipts will be agreed outside of the annual budget process.
- f. Regular reviews of the capital programme are carried out to ensure the capital programme remains current, given that projects typically extend over several years from initiation. These reviews include scrutinising projects where contracts have not begun or spend is slower than anticipated, to ensure that the capital programme remains current, and that prudential borrowing is not unnecessarily committed. Going forward we will ensure that all approved capital projects will have a two-year longstop date. This means that a new, updated approval will be required where it has not been possible to enter contract within two years of approval.
- g. Each project has a nominated project manager who is responsible for the successful completion of the scheme against factors such as time, budget, quality, scope, and benefit.
- h. The management of capital will be overseen by the Capital Board, through strong governance and assurance processes for capital planning, capital appraisal and approval, project management, and capital monitoring and review. Executive decisions will be made in accordance with the Council's Constitution.

- i. Capital receipts are treated as a corporate resource. All use of capital resources that are not statutorily or contractually ring-fenced, including capital receipts, will be prioritised across the Council as a whole in relation to the Council's key priorities.
- j. The disposal of the Council's land and buildings as part of the Financial Recovery Plan will be managed by the Cabinet Property Committee.
- k. The Council will encourage community engagement in the operation of properties in support of specific key priorities and will commission community asset transfers where appropriate.

#### Flexibility to Use Capital Receipts for Revenue Reform Projects Strategy

- 46. In the Spending Review 2015, the Chancellor of the Exchequer announced that to support local authorities to deliver more efficient and sustainable services, the government will allow local authorities to spend up to 100% of their fixed asset receipts (excluding Right to Buy (RTB) receipts) on the revenue costs of reform projects. This flexibility is offered for expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or change service delivery to reduce costs or to improve the quality-of-service delivery in future years.
- 47. DLUHC issued revised guidance on the Flexible Use of Capital Receipts on 4 April 2022 and the flexibility was extended to 31 March 2025. The Provisional Settlement December 2023 indicated extending this to March 2030.
- 48. Only the revenue costs of projects designed to reduce future revenue costs and/or change service delivery can qualify for this source of funding. The Department has not issued an exhaustive list of qualifying projects to allow authorities because, as the government Guidance states, 'individual authorities who have projects that will generate ongoing savings that are not included in the list provided in the guidance can apply the flexibility to fund those projects.'
- 49. Local authorities can only use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered (i.e., from 2016). RTB receipts cannot be used, and disposals must be to an entity outside the local authority's group structure.

50. For each financial year, a local authority should ensure it prepares at least one Flexible use of Capital Receipts Strategy (“the Strategy”), which this is. The Strategy should be presented to full council before the start of the year. This Strategy can be within the Annual Budget documents or as part of the Mid-Term Financial Plan (or equivalent).
51. The Council’s capital financing plans seek to fund the capitalisation of revenue reform costs under the Flexible Use of Capital Receipts legislation. £13.8m has been included in the plans for 2024/25 (£14.4m identified for financial year 2023/24). Projects may be accelerated or slipped between financial years. A breakdown of these schemes can be found at Table 7.5 below) lists each project that plans to make use of the capital receipts flexibility and details the expected savings / service changes. The Appendix also contains details on projects approved in previous years, including a commentary on whether the planned savings or service changes have been/are being realised in line with the initial analysis.
52. The Strategy may be revised in year if further eligible projects are identified, and sufficient capital receipts are available for funding such costs. In this circumstance the revised projects will be approved by Full Council and a revised strategy submitted to DLUHC.

#### Property – Assets and Disposal Strategy

53. To support the Council’s Financial Recovery Plan a programme of rationalisation of the Council’s assets will be required. The portfolio in scope of the rationalisation is initially comprised of the commercial portfolio, development sites and strategic assets, industrial premises, retail premises, operational and miscellaneous assets located across the city.
54. Available capital receipts from asset disposals will be earmarked to support the Council’s potential equal pay liability and help to achieve revenue sustainability under the Financial Recovery Plan.
55. A new Cabinet Property Committee has been established to approve proposed sales of council property and assets as part of the Council wide Asset Strategy. The Committee will have delegated powers from the Cabinet to declare land and property surplus to requirements. It will have the power to determine property sales, the means of disposal and the acceptance of offers. The Property Committees main

purpose will be to deliver the capital receipts programme without delays. It will have these powers for both General Fund Assets and Housing Revenue Account Assets.

56. It is recognised that there is a need for a more sustainable approach to the management of the Council's land and property assets. An independent review of how the Council manages its land and property assets recommended it move to a corporate landlord model ensuring a more joined up approach throughout the organisation.

#### Community Asset Transfers

57. The Council will encourage community engagement in the operation of properties in support of specific key priorities and may commission Community Asset Transfers (CATs) where appropriate. Third sector organisations will need to have the capabilities to use the assets to provide agreed services, in accordance with arrangements for CATs of property. Sales at less than best price will however reduce the capital receipts available to fund other Council needs and policies. Accordingly, proposed land sale discounts including CATs will be reviewed by the Property and Assets Board before proceeding for formal decision, to ensure that proposals have a strong fit with the Council's key strategic priorities, represent good value for money, and have a good prospect of success. Other properties, and CAT proposals which have been unsuccessful, will proceed for sale on the open market.

## Table 7.1 Capital Programmes by Scheme

GENERAL FUND	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	TOTAL £'000
<b><u>COUNCIL MANAGEMENT</u></b>					
<b>Corporately Held Funds</b>					
Revenue Reform Projects - (Flexible Use of Capital Receipts)	13,807	0	0	0	13,807
Corporate Capital Contingency	8,351	5,801	2,500	2,500	19,152
<b>Total Corporately Held Funds</b>	<b>22,158</b>	<b>5,801</b>	<b>2,500</b>	<b>2,500</b>	<b>32,959</b>
<b><u>ICT &amp; Digital Services</u></b>					
ICT & Digital	3,194	0	0	0	3,194
Technology Roadmap - Critical Investment	3,782	1,042	0	0	4,824
<b>Total Digital &amp; Customer Services</b>	<b>6,976</b>	<b>1,042</b>	<b>0</b>	<b>0</b>	<b>8,018</b>
<b>TOTAL COUNCIL MANAGEMENT DIRECTORATE</b>	<b>29,134</b>	<b>6,843</b>	<b>2,500</b>	<b>2,500</b>	<b>40,977</b>
<b><u>CITY OPERATIONS</u></b>					
<b><u>Street Scene</u></b>					
Waste Management Depots	9,350	0	0	0	9,350
WM Vehicles	5,000	19,000	179	0	24,179
New Project - Lifford / Kings Norton ERF Approved June 2023	1,490	6,704	21,602	0	29,796
New DefRA Grant - Weekly Food Waste Collection	6,825	0	0	0	6,825
Safety Works to Parks Pools	700	700	667	0	2,067
Ward End Park - Lakeside (Dolphin Centre)	0	0	0	0	0
<b>Tyburn POS Improvements</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Parks & Nature Conservation	100	100	100	0	300
<b>Total Street Scene</b>	<b>23,465</b>	<b>26,504</b>	<b>22,548</b>	<b>0</b>	<b>72,517</b>
<b>Private Sector Housing</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>
<b>Total Private Sector Housing</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>
<b><u>Neighbourhoods</u></b>					
Moseley Road Baths	9,251	2,861	2,861	3,098	18,071
<b>Former Erdington Baths Community Hub</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Basketball Legacy Court Refurbishment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Alexander Stadium Legacy Project	15,032	0	0	0	15,032
<b>Total Neighbourhoods</b>	<b>24,283</b>	<b>2,861</b>	<b>2,861</b>	<b>3,098</b>	<b>33,103</b>
<b><u>Regulation &amp; Enforcement</u></b>					
Bereavement	2,250	0	0	0	2,250
Markets	0	250	0	0	250
<b>Total Regulation &amp; Enforcement</b>	<b>2,250</b>	<b>250</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
<b><u>Highways Infrastructure</u></b>					
Highways/Flood Management	2,025	1,350	1,350	1,350	6,075
Tame Valley Viaduct Phase 3	26,205	14,912	5,426	0	46,543
<b>Highways Infrastructure</b>	<b>28,230</b>	<b>16,262</b>	<b>6,776</b>	<b>1,350</b>	<b>52,618</b>
<b>TOTAL CITY OPERATIONS DIRECTORATE</b>	<b>78,728</b>	<b>45,877</b>	<b>32,185</b>	<b>4,448</b>	<b>161,238</b>

GENERAL FUND	2024/25	2025/26	2026/27	2027/28	TOTAL
	£'000	£'000	£'000	£'000	£'000
<b><u>PLACE, PROSPERITY &amp; SUSTAINABILITY</u></b>					
<b><u>Planning &amp; Development</u></b>					
<b>Major Projects</b>					
Enterprise Zone - Paradise Circus	3,439	0	0	0	3,439
Enterprise Zone - Other	25,700	7,048	14,238	9,449	56,435
Bordesley Park Remedial Works	7,206	0	0	0	7,206
<b>Total Major Projects</b>	<b>36,345</b>	<b>7,048</b>	<b>14,238</b>	<b>9,449</b>	<b>67,080</b>
<b>Total Planning &amp; Development</b>	<b>36,345</b>	<b>7,048</b>	<b>14,238</b>	<b>9,449</b>	<b>67,080</b>
<b><u>Transport Connectivity</u></b>					
<b>Major Schemes</b>					
A457 Dudley Road	250	2,000	0	0	2,250
Birmingham City Centre Retail Core Public Realm	3,447	1,234	2,494	2,033	9,208
Digbeth Active Travel & Streets Programme	7,083	5,100	40,000	0	52,183
HS2 Readiness - One Station & Smallbrook Queensway	1,550	2,500	44,900	0	48,950
Sutton Gateway (CRSTS)	2,200	10,000	12,800	0	25,000
Westside Metro Extension - Engie Works	933	0	0	0	933
Other (Major Schemes)	6,001	6,129	6,181	2,000	20,311
<b>Total Major Schemes</b>	<b>21,464</b>	<b>26,963</b>	<b>106,375</b>	<b>4,033</b>	<b>158,835</b>
Brum Breathes & Route To Zero	1,450	1,400	400	250	3,500
Active Travel	26,178	26,589	40,741	2,000	95,508
Public Transport	5,163	6,277	100	100	11,640
Infrastructure Development	3,680	3,729	3,879	2,704	13,992
Places for People (Local Neighbourhoods)	5,330	3,795	3,250	2,350	14,725
<b>Total Transport Connectivity</b>	<b>63,265</b>	<b>68,753</b>	<b>154,745</b>	<b>11,437</b>	<b>298,200</b>
<b><u>Property Services</u></b>					
Perry Barr Residential Scheme	3,003	0	0	0	3,003
<b>Total Property Services</b>	<b>3,003</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,003</b>
<b>TOTAL PLACE, PROSPERITY &amp; SUSTAINABILITY DIRECTORATE</b>	<b>102,613</b>	<b>75,801</b>	<b>168,983</b>	<b>20,886</b>	<b>368,283</b>
<b><u>CHILDREN &amp; FAMILIES</u></b>					
<b><u>Education &amp; Early Years</u></b>					
Devolved Capital Allocation to Schools	0	0	0	0	0
School Condition Allocations	14,325	11,084	0	0	25,409
Basic Need - Additional School Places	26,691	33,463	0	0	60,154
IT Investment	964	0	0	0	964
<b>Total Education &amp; Early Years</b>	<b>41,980</b>	<b>44,547</b>	<b>0</b>	<b>0</b>	<b>86,527</b>
<b>TOTAL CHILDREN &amp; FAMILIES DIRECTORATE</b>	<b>41,980</b>	<b>44,547</b>	<b>0</b>	<b>0</b>	<b>86,527</b>
<b><u>ADULT SOCIAL CARE DIRECTORATE</u></b>					
<b><u>Adult Care &amp; Health</u></b>					
Property Schemes	0	0	0	0	0
Adults IT	150	100	0	0	250
Telecare / TEC	504	0	0	0	504
Independent Living	12,943	12,943	12,943	12,943	51,772
<b>TOTAL ADULT SOCIAL CARE DIRECTORATE</b>	<b>13,597</b>	<b>13,043</b>	<b>12,943</b>	<b>12,943</b>	<b>52,526</b>
<b>TOTAL CAPITAL PROGRAMME - GENERAL FUND</b>	<b>266,052</b>	<b>186,111</b>	<b>216,611</b>	<b>40,777</b>	<b>709,551</b>

<b>HOUSING REVENUE ACCOUNT</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>TOTAL</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b><u>HOUSING REVENUE ACCOUNT</u></b>					
<b>Housing Revenue Account</b>					
Housing Improvement Programme	215,533	218,529	221,751	225,143	<b>880,956</b>
Development / Acquisitions	46,286	67,609	45,306	41,714	<b>200,915</b>
Clearance	6,267	0	0	0	<b>6,267</b>
<b>TOTAL CAPITAL PROGRAMME - HRA</b>	<b>268,086</b>	<b>286,138</b>	<b>267,057</b>	<b>266,857</b>	<b>1,088,138</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>534,138</b>	<b>472,249</b>	<b>483,668</b>	<b>307,634</b>	<b>1,797,689</b>

## Table 7.2 New Capital Schemes & Pressures

	2024/25	2025/26	2026/27	2027/28	Total
	£'000	£'000	£'000	£'000	£'000
<b>APPROVED PROJECTS - INCLUDED IN THE CAPITAL PROGRAMME</b>					
<b><u>CITY OPERATIONS</u></b>					
Lifford /Kings Norton ERF Depot	1,490	6,704	21,602	0	29,796
Bordesley Park - Remedial Works	7,206	0	0	0	7,206
<b>Total City Operations Directorate</b>	<b>8,696</b>	<b>6,704</b>	<b>21,602</b>	<b>0</b>	<b>37,002</b>
<b><u>COUNCIL MANAGEMENT</u></b>					
Technology Roadmap - Critical Investment	3,782	1,042	0	0	4,824
<b>Total Council Management Directorate</b>	<b>3,782</b>	<b>1,042</b>	<b>0</b>	<b>0</b>	<b>4,824</b>
<b>Total New Approved Projects</b>	<b>12,478</b>	<b>7,746</b>	<b>21,602</b>	<b>0</b>	<b>41,826</b>
	2024/25	2025/26	2026/27	2027/28	Total
	£'000	£'000	£'000	£'000	£'000
<b>PRESSURES TO BE APPROVED - NOT YET IN CAPITAL PROGRAMME</b>					
ICT Critical Investment & Infrastructure	8,500	16,000	16,000	16,000	56,500
Parks - Car Park Charging	824	1,761	0	0	2,585
<b>Total Pressures to be Approved</b>	<b>9,324</b>	<b>17,761</b>	<b>16,000</b>	<b>16,000</b>	<b>59,085</b>
<b>Total New Approvals &amp; Pressures</b>	<b>21,802</b>	<b>25,507</b>	<b>37,602</b>	<b>16,000</b>	<b>100,911</b>

**Table 7.3 Capital Resources**

<b>GENERAL FUND</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Specific Resources</b>					
Government Grants & Contributions	146,850	106,500	80,587	21,408	355,345
Revenue Resources & Reserves - General Fund	11,794	18,620	10,765	5,083	46,262
<b>Total Specific Resources</b>	<b>158,644</b>	<b>125,120</b>	<b>91,352</b>	<b>26,491</b>	<b>401,607</b>
<b>Corporate Resources</b>					
Prudential Borrowing -General Fund	47,299	35,177	24,708	0	107,184
Prudential Borrowing - Enterprise Zone	27,174	12,298	95,238	9,449	144,159
Earmarked Capital Receipts	32,935	13,516	5,313	4,837	56,601
<b>Total Corporate Resources</b>	<b>107,408</b>	<b>60,991</b>	<b>125,259</b>	<b>14,286</b>	<b>307,944</b>
<b>Total Resources</b>	<b>266,052</b>	<b>186,111</b>	<b>216,611</b>	<b>40,777</b>	<b>709,551</b>
<b>HOUSING REVENUE ACCOUNT</b>					
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	
<b>Specific Resources</b>					
Government Grants & Contributions	13,653	6,366	2,800	2,027	24,846
Revenue Resources & Reserves - HRA	67,281	65,663	79,599	79,656	292,199
Capital Receipts - HRA	34,823	28,990	37,749	22,942	124,504
<b>Total Specific Resources</b>	<b>115,757</b>	<b>101,019</b>	<b>120,148</b>	<b>104,625</b>	<b>441,549</b>
<b>Corporate Resources</b>					
Prudential Borrowing - HRA	152,329	185,119	146,909	162,232	646,589
Earmarked Capital Receipts - General Fund	0	0	0	0	0
<b>Total Corporate Resources</b>	<b>152,329</b>	<b>185,119</b>	<b>146,909</b>	<b>162,232</b>	<b>646,589</b>
<b>Total Resources</b>	<b>268,086</b>	<b>286,138</b>	<b>267,057</b>	<b>266,857</b>	<b>1,088,138</b>
<b>TOTAL CAPITAL PROGRAMME</b>					
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	
<b>Specific Resources</b>					
Government Grants & Contributions	160,503	112,866	83,387	23,435	380,191
Revenue Resources & Reserves	79,075	84,283	90,364	84,739	338,461
Capital Receipts - HRA	34,823	28,990	37,749	22,942	124,504
<b>Total Specific Resources</b>	<b>274,401</b>	<b>226,139</b>	<b>211,500</b>	<b>131,116</b>	<b>843,156</b>
<b>Corporate Resources</b>					
Prudential Borrowing	226,802	232,594	266,855	171,681	897,932
Earmarked Capital Receipts - General Fund	32,935	13,516	5,313	4,837	56,601
<b>Total Corporate Resources</b>	<b>259,737</b>	<b>246,110</b>	<b>272,168</b>	<b>176,518</b>	<b>954,533</b>
<b>Total Resources</b>	<b>534,138</b>	<b>472,249</b>	<b>483,668</b>	<b>307,634</b>	<b>1,797,689</b>

**Table 7.4 Analysis of Prudential Borrowing**

<b>GENERAL FUND</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Major Self Financed Prudential Borrowing</b>					
Fleet & Waste Management - Depots	9,150	0	0	0	<b>9,150</b>
Perry Barr Residential Scheme	3,003	0	0	0	<b>3,003</b>
ICT & Digital Services	2,749	0	0	0	<b>2,749</b>
Bereavement Services	2,250	0	0	0	<b>2,250</b>
Lifford Lane Depot Refurbishment	1,490	6,704	21,602	0	<b>29,796</b>
<b>Total Capital Projects Self Financed</b>	<b>18,642</b>	<b>6,704</b>	<b>21,602</b>	<b>0</b>	<b>46,948</b>
<b>Major Prudential Borrowing with net impact on Council revenue resources</b>					
Fleet & Waste Management - Vehicles	5,000	19,000	179	0	<b>24,179</b>
Fleet & Waste Management - Depots	200	0	0	0	<b>200</b>
Alexander Stadium Legacy Project	8,532	0	0	0	<b>8,532</b>
Corporate Capital Contingency	8,351	5,801	0	0	<b>14,152</b>
Moseley Road Baths	1,374	1,930	2,259	0	<b>5,563</b>
ICT & Digital Services	223	0	0	0	<b>223</b>
Parks Reservoirs & Pools	700	700	667	0	<b>2,067</b>
Bordesley Park Remedial Works	495	0	0	0	<b>495</b>
ICT Critical Investment	3,782	1,042	0	0	<b>4,824</b>
<b>Total Capital Projects requiring revenue resources</b>	<b>28,657</b>	<b>28,473</b>	<b>3,105</b>	<b>0</b>	<b>60,235</b>
<b>Enterprise Zone</b>					
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Enterprise Zone	27,174	7,298	14,238	9,449	<b>58,159</b>
Enterprise Zone - Transport projects	0	5,000	81,000	0	<b>86,000</b>
<b>Total Prudential Borrowing - EZ</b>	<b>27,174</b>	<b>12,298</b>	<b>95,238</b>	<b>9,449</b>	<b>144,159</b>
<b>Total Prudential Borrowing - GENERAL FUND</b>	<b>74,473</b>	<b>47,475</b>	<b>119,945</b>	<b>9,449</b>	<b>251,342</b>
<b>HOUSING REVENUE ACCOUNT</b>					
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Housing Revenue Account	152,329	185,119	146,910	162,232	<b>646,590</b>
<b>Total Prudential Borrowing - HRA</b>	<b>152,329</b>	<b>185,119</b>	<b>146,910</b>	<b>162,232</b>	<b>646,590</b>
<b>Total Prudential Borrowing</b>	<b>226,802</b>	<b>232,594</b>	<b>266,855</b>	<b>171,681</b>	<b>897,932</b>

**Table 7.5 Capital Receipt Flexibility 2023/24 and 2024/25**

	Revised Forecast Spend 2023/24	Original Budget 2024/25	TOTAL 23/24 TO 25/26	Anticipated Revenue Savings	Impact of Spend ( i.e. how will this project save money / transform service delivery?)
	£'000	£'000	£'000	£'000	
<b>Revenue Reform Projects</b>					
<b>Corporate Controlled</b>					
Redundancy & Pension Fund Strain	608	0	608		Redundancy costs of posts no longer required
Workforce for the Future project - Centres of Expertise	100	300	400	800	Realignment of budgets and creation of centres of expertise.
Maximising income	42	62	104	196	Review low value leases of between £5-£10k in annual value.
Digitally Enabled Council: RPA	700	800	1,500	2,600	Automation and Digitisation of services.
Digitally Enabled Council: Voice Automation	250	1,500	1,750	2,600	Voice automation to reduce duplication.
<b>Council Management</b>					
Cyber Security	3,928	6,701	10,629	0	Improving the Council's Cyber security. No saving quantifiable but will prevent fraud and
Customer Programme	2,287	2,094	4,381	1,700	The Customer Service programme will bring together, build upon and accelerate existing work, whilst identifying and implementing the required activities to ensure BCC is a truly customer centric organisation.
Council Man - ITDS - BEP reserve & Tech refresh	200	0	200	100	Introduction of immutable hardware backup technology simplifying the operational deployment and management of new back up activities. Reduced data centre running and wider support costs. Move to a new management
<b>Adults</b>					
Early Interventions Transformation	500	500	1,000	1,881	Working in partnership with health to transform the way care is delivered, to prevent hospital admissions and to ensure appropriate care on hospital discharge.
ADC - Specialist Impact Team	500	500	1,000	3,845	Review of complex high cost cases to ensure packages meet client needs
<b>Place, Prosperity &amp; Sustainability</b>					
Inclusive Growth Delivery Plan	2,200	950	3,150	1,950	Various regeneration activities within PPS to stimulate growth
<b>Birmingham Children's Trust</b>					
BCT Social Worker Practice Transformation	300	0	0		The Practice Hub operates as a centre of excellence for social work practice to research and develop new and innovate ways of working. Achieving manageable caseloads in social work and exploring alternative approaches to how we deliver safeguarding of children. The Practice Hub also provides assurance on the quality of social work.
BCT Children in Care Panel	300	0	3,000		The reintroduction of Children in Care Panels and fixed term resource to challenge care planning and packages in order to deliver better outcomes for children and a more affordable cost.
BCT Child's Journey Project	300	0			The Child's Journey Project aim is to consider how we work with children and families to help deliver efficiencies across social work and implementing leaner and more thematic
<b>Children &amp; Families</b>					
SENAR - Children's	1,800	0	1,800	0	Improving SEND provision for children and young people in Birmingham through transformational change within the service, with schools and partner organisations and in further developing engagement with parents.
CYP - Schools PFI Contract Review	400	400	800		Staffing costs (internal and external) associated with the review of the Schools PFI contracts are transforming the way the contract will be managed and delivered moving forwards. This is expected to generate savings already built into the LTFFP.
<b>Total Revenue Reform Projects</b>	<b>14,415</b>	<b>13,807</b>	<b>30,322</b>	<b>15,847</b>	

## **Appendix 8 – Treasury Management Strategy**

### **1. Summary**

- 1.1. This appendix sets out the proposed Treasury Management Strategy for 2024/25 given the Council's current financial position, its treasury needs for the year and the interest rate outlook, and in accordance with the Treasury Management Policy at Appendix 8A.
- 1.2. On 5 September 2023 the Council's Director of Finance (Section 151 Officer) issued a notice under Section 114(3) of the Local Government Finance Act 1988. The Council is in a challenging financial position and has made an application to the Government for Exceptional Financial Support. Its planned Financial Recovery will have a significant impact on the Council's treasury management strategy for 2024/25. (see paragraph 7.3).
- 1.3. Previously the Council used a balanced borrowing strategy that maintained a proportion of short term or variable rate loan debt (under 12 months) with long term or fixed rate borrowing in order to seek an appropriate balance between the risks of variable rate and fixed rate borrowing. However, within the context of Financial Recovery and the general availability of short term loans, the Council is likely be restricted to longer term fixed rate loan debt to meet its borrowing requirements as part of this strategy (see paragraph 5.6). Any short term loans will be maintained within the prudential limit for variable rate exposures.
- 1.4. Separate loan portfolios are maintained for the General Fund and the HRA; therefore, separate treasury strategies are set out below where relevant<sup>1</sup>.
- 1.5. Externally, a weaker economic outlook for the UK with uncertainty around inflation and interest rate expectations, uncertain government policy with an upcoming general election and geopolitical risk from the conflict in Ukraine and the Middle East will also have a major influence on the Council's treasury management strategy for 2024/25.

### **2. Treasury Management Policy and Objectives**

- 2.1. The Treasury Management Policy (Appendix 8A) sets the Council's objectives and provides a management and control framework for its Treasury Management activities, in accordance with CIPFA's Code of Practice for Treasury Management in the Public Services.
- 2.2. For the Council, the achievement of high returns from treasury activities is of secondary importance compared with the need to limit the exposure of public

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<sup>1</sup> This Strategy relates to loan debt only. Other debt liabilities relating to PFI and finance leases are not considered in this Strategy and are managed separately. Throughout these budget papers, debt and investments are expressed at nominal value, which may be different from the valuation basis used in the statutory accounts.

funds to the risk of loss. The Strategy will aim to minimise the cost of borrowing to the Council whilst balancing its security and liquidity risks.

- 2.3. Due to the importance of environmental, social and governance (ESG) issues including climate emergency agendas, the Council will continue to consider ESG factors in the context of its treasury activities.
- 2.4. These objectives must be implemented flexibly in the light of changing market circumstances.

### 3. Council Borrowing Requirement

- 3.1. The Council's forecast of its required gross loan debt is set out in the Capital Strategy (Appendix 8) and is a combination of its forecast capital expenditure funded from borrowing, reduced by the amounts set aside to repay debt, and short term cashflows. Although borrowing for General Fund capital projects is restricted to the minimum, the Council's gross loan debt is forecast to increase in forthcoming years due to significant investments required for the Housing Revenue Account (HRA - see paragraph 9.2 below). The gross loan debt may increase further for any borrowing undertaken as part of Exceptional Financial Support.

**Table 8.1 Forecast Borrowing Requirement**

	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Forecast gross loan debt	3,605,500	3,727,800	3,812,300	3,904,400
Forecast treasury investments	(100,000)	(100,000)	(100,000)	(100,000)
<b>Forecast net loan debt</b>	<b>3,505,500</b>	<b>3,627,008</b>	<b>3,712,300</b>	<b>3,804,400</b>
of which:				
Existing loans outstanding	3,243,500	3,124,700	2,967,900	2,741,900
Short term investments working balance	(100,000)	(100,000)	(100,000)	(100,000)
Required new/ replacement loan balance (cumulative)	362,000	603,200	844,300	1,162,500
<b>Forecast net loan debt</b>	<b>3,505,500</b>	<b>3,627,800</b>	<b>3,712,300</b>	<b>3,804,400</b>

- 3.2. Most of the Council's loan debt is funded from existing long term loans which mature over periods of up to 40 years or more. Table 8.1 above shows that the Council's outstanding long term loans decrease over the next few years as they are repaid upon maturity. This means that its new loans requirement will increase in order to meet the forecast net loan debt.
- 3.3. This strategy sets out how the Council plans to obtain the required new borrowing shown above, mainly through long term borrowing, and through short term borrowing where short term lenders are available (see paragraph 5.6 below).

- 3.4. The Council currently has £61.1m of Lender's Option Borrower's Option (LOBO) loans outstanding. For these loans, the lender has the right to increase the interest rate at certain dates during the loan term; in this event the Council has the option to accept the rate increase or repay the loan immediately without penalty. In May 2023, a £10m LOBO loan held with Dexia was repaid after the bank exercised its option to raise the interest rate. In November 2023 the Council chose to accept a rate increase on a £10m LOBO loan held with Erste as the new rate was well below forecast market rates at the time.
- 3.5. During 2024/25, £41.1m of the Council's LOBO loans have the potential to be exercised. As market interest rates remain relatively high, further LOBO lenders may choose to exercise their option. If LOBO loan options are exercised, the Council will look to repay these loans through refinancing where this is financially viable.
- 3.6. In previous years the Council has repaid some of its LOBO loans early. In May 2019, £30m of LOBO loans held with Commerzbank were repaid early following negotiations with the bank. The repayments resulted in a significant saving for the Council and it removed a substantial amount of LOBO loans from its loans portfolio. The Council will consider further loan restructuring opportunities for its entire loans portfolio if they become available and where they provide a cost saving or a reduction in risk.

#### **4. Interest Rate and Credit Outlook**

- 4.1. UK Bank Rate is fundamental for the Council's treasury management activity, in terms of expenditure on loan interest where new loans are taken out and on income received from investments. UK Bank Rate is set by the Bank of England's Monetary Policy Committee (MPC) and their interest rate outlook is influenced by domestic and international economic and political developments.
- 4.2. To combat high and persistent inflation in the UK, the Bank of England made consecutive increases to Bank Rate from December 2021 to reach 5.25% by September 2023. Monetary policy appears to have had the desired effect with UK inflation, measured by the Consumer Prices Index (CPI), falling to 4.0% in December 2023, down from a high of 11.1% observed in October 2022.
- 4.3. With the decreasing inflation numbers, the MPC has paused further Bank Rate rises. Financial markets seem to indicate that rates have peaked and have priced in rate cuts from Q1 2024/25. The impact of interest rate rises is already being felt in the UK with GDP growth remaining below pre-pandemic rates in the medium term. GDP is forecast to rise by 0.6% in 2023 and by 0.7% in 2024. However, the MPC continues to warn about retaining tight financial conditions in the UK whilst service inflation and wage growth remain elevated. Continued economic uncertainty means the MPC is prepared to

maintain Bank Rate at the current level in order to return inflation to its target of 2%.

4.4. Arlingclose, the Council's treasury advisor, has forecast the Bank Rate to have peaked at 5.25% and do not expect rate cuts until Q2 2024/25 and only when the MPC are confident that risks of 'second round' effects of inflation (e.g. on wage growth) are diminished. Given the level of uncertainty over economic growth and interest rates the Council has taken a prudent view on Bank Rate for the treasury budget by the end of 2024/25.

4.5. Upside risks to UK interest rates in 2024/25 include:

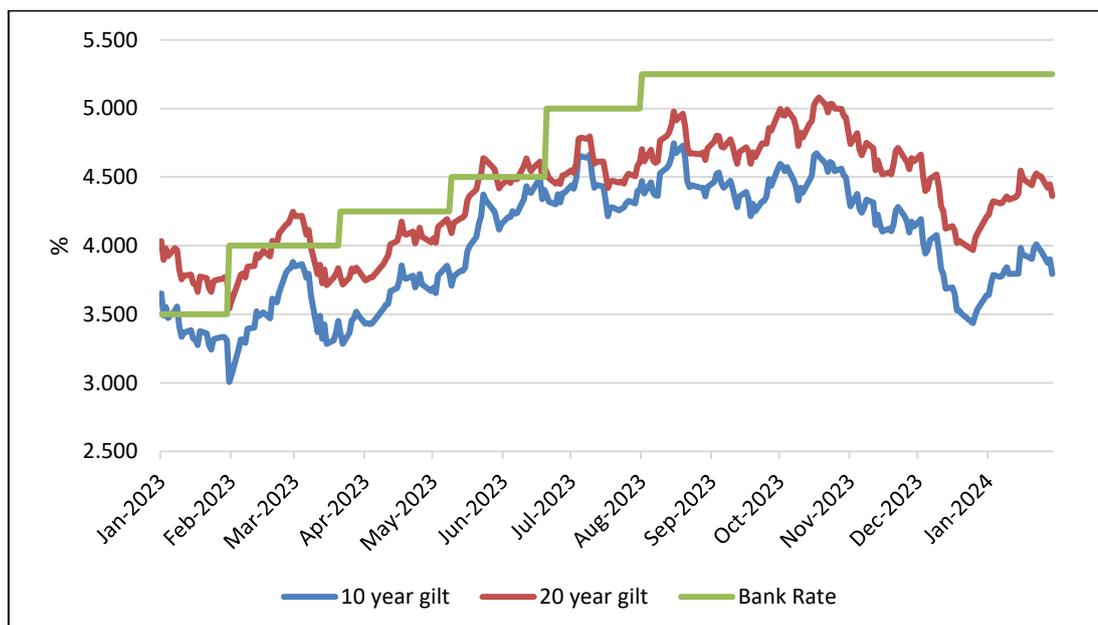
- Persistence of inflation where the UK economy remains resilient to the recent rate hikes
- Continued wage growth and high vacancies in the UK labour market
- Increased energy prices due to continued geo-political risks from the conflict in Ukraine, the Middle East and elsewhere

4.6. Downside risks to UK interest rates include:

- Impact of UK recession causes UK GDP to fall by more than expected with inflation falling below the target of 2%.
- Higher than expected falls in the level of unemployment
- Risks of economic downturns in the US and China causing a global slump

4.7. Longer term interest rates are typically represented by UK Government Gilt yields. Figure 8.2 below charts Gilt yields and Bank Rate over the past year.

**Figure 8.2 Bank Rate and Gilt Yields**



- 4.8. Gilt yields increased significantly during 2023 in line with interest rate increases and expectations for interest rates. Since October 2023 gilt yields have fallen sharply as the market currently expects Bank Rate to have peaked with rate cuts expected from the middle of next year. However, considerable uncertainty remains around future Bank of England monetary policy as shown by the increase in yields since January 2024.
- 4.9. Gilt yields are still near the higher levels seen before the financial crisis of 2008 and are no longer at the historically low levels seen in the last decade. The Council expects long-term gilt yields to remain relatively higher than in the past, partly due to quantitative tightening, with periodic volatility arising from both economic and political events.
- 4.10. The credit outlook for banks relates to their risks for default and became more significant following the 2015 Bank Recovery and Resolution Directive (BRRD). Here a failing bank would need to be 'bailed in' by current investors instead of being 'bailed out' by the Government, thus increasing the risk of loss for local authorities holding unsecured bank deposits.
- 4.11. With the UK economy expected to experience a downturn due to the effects of higher interest rates, the risks for UK banks could be heightened as shown by some recent volatility in UK bank Credit Default Swap (CDS) prices during Quarter 3 of the 2023/24 financial year. However, the banking sector is generally better positioned to withstand shocks to the economy due to their required capital positions. The Council will continue to monitor bank credit worthiness and seek the advice of its treasury advisor, Arlingclose.

## **5. Borrowing Strategy**

- 5.1. The Council's capital investment programme allows it to deliver key priorities such as economic regeneration, transport, housing and school improvements, and to support service change. The capital investment programme can be funded from government grants, revenue resources, capital receipts from asset sales and prudential borrowing.
- 5.2. It can be appropriate for the Council to borrow to fund its capital expenditure. The Council will receive long term service benefit over a number of years so it should be able to fund the capital expenditure over the years benefits are received.
- 5.3. Although borrowing costs (including interest costs and repayment charges) reflect a substantial investment in capital, the Council will ensure borrowing for the capital programme remains at an affordable and sustainable level. The Council periodically reviews its capital programme and associated prudential borrowing requirements and will reduce this where it can as long as it does not impede the Council's key priorities.

- 5.4. The Council's capital programme has been subject to a review in the context of the Financial Recovery Plan to support the General Fund budget savings and pressures highlighted as part of this Financial Plan by keeping borrowing to a minimum.
- 5.5. Borrowing costs are also managed by the type of loans the Council takes. As part of its borrowing strategy, the Council has previously targeted a short term or variable rate loans balance (less than 12 months) of around £600m, to take advantage of lower short term borrowing rates.
- 5.6. During 2023-24 there has been a notable reduction in the supply of short-term local authority lenders. In addition, the Council's issuance of a Section 114 Notice has meant the number of lenders willing to lend to the Council has considerably reduced. Both of these factors are likely to impact on the Council's ability to source new short term funding. Therefore the Council is likely to source the majority of funding for its borrowing requirements from longer term borrowing.
- 5.7. Based on this strategy, the following table summarises, for the Council as a whole, the new long term and short term borrowing proposed to fund the required new or replacement borrowing each year:

**Table 8.3 Proposed Borrowing Strategy**

<b>Cumulative new borrowing:</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Total long term loans	361,000	603,000	843,000	1,112,000
Total short term loans	1,000	200	1,300	50,500
Required new/ replacement loan balance	<b>362,000</b>	<b>603,200</b>	<b>844,300</b>	<b>1,162,500</b>

- 5.8. This strategy results in a forecast for new long term loans in the next four years to meet the required loan balance. The Council may still reprofile new long term loans during this period depending on market conditions. Although future borrowing rates are not forecast to be significantly higher than current rates, the outlook is uncertain and taking some long term loans earlier may remove some refinancing risk.

## **6. Short Term Borrowing**

- 6.1. The Council's short term borrowing needs are largely met through other local authorities who lend their surplus cash balances at comparatively low rates. Loans from local authorities are deemed to meet the Council's ESG considerations as surplus funds will have been obtained from sources with public service objectives.
- 6.2. As mentioned in paragraph 5.6 above, the Council has experienced limited availability of loans from local authority lenders since it issued its Section 114

notice and this may continue during 2024/25. The Council has sought to diversify its sources of short term borrowing from reliance on the local authority lending market. The Council does have access to a Working Capital Facility with its bankers should it require loans for very short periods. However this Facility would only meet a small portion of the Council's total requirements for borrowing.

- 6.3. Short term and variable rate exposures remain within the 30% prudential limit set out in Appendix 8D.
- 6.4. It should be noted that a possible scenario is that short term and long term interest rates may rise (or are expected to rise) more sharply than currently forecast. A higher level of long term borrowing may be taken if appropriate to protect future years' borrowing costs.

## **7. Long Term Borrowing**

### Public Works Loans Board (PWLB)

- 7.1. The main source of long term borrowing for local authorities has been the Public Works Loans Board (PWLB), managed by HM Treasury. At the end of November 2020, the Treasury returned PWLB rates to 0.8% above gilts with the condition that local authorities would not be able to access PWLB loans if their three year capital programme included capital expenditure primarily for yield. The Council has not undertaken, nor has plans to undertake any investments primarily for yield.
- 7.2. The consequence of the PWLB rate decrease is that it is likely to offer a cheaper and quicker route to borrowing than alternative sources of borrowing. For value for money, it is important that the Council continues to meet the PWLB's lending criteria.

### Capitalisation Direction

- 7.3. As part of its Financial Recovery, the Council has made an application to the Department for Levelling Up, Housing and Communities (DLUHC) for Exceptional Financial Support (EFS). Approval has been sought for a capitalisation direction to fund revenue expenditure to cover provisions for Equal Pay, capitalisation costs involved in a redundancy scheme, and the forecast budget deficit for 2024/25.
- 7.4. The Council is expected to raise capital receipts for the whole of the capitalisation direction. The likely conditions of EFS will be that any further borrowing must be obtained from the PWLB and will be subject to a premium above the rate the loan would otherwise be subject to, for as long as the Council's Capital Financing Requirement (CFR) includes amounts related to the capitalisation direction. These conditions are not likely to be required for borrowing in relation to the HRA. In addition, the Council will need to make annual provisions for the repayment of any borrowed amounts, in line with its MRP policy or further Government directions, if any.

- 7.5. The 1 percentage point premium is likely to be added to the Council's non-capitalisation borrowings. From forecasts for General Fund planned borrowing this may increase interest costs by an additional £4.1m over the four year period.

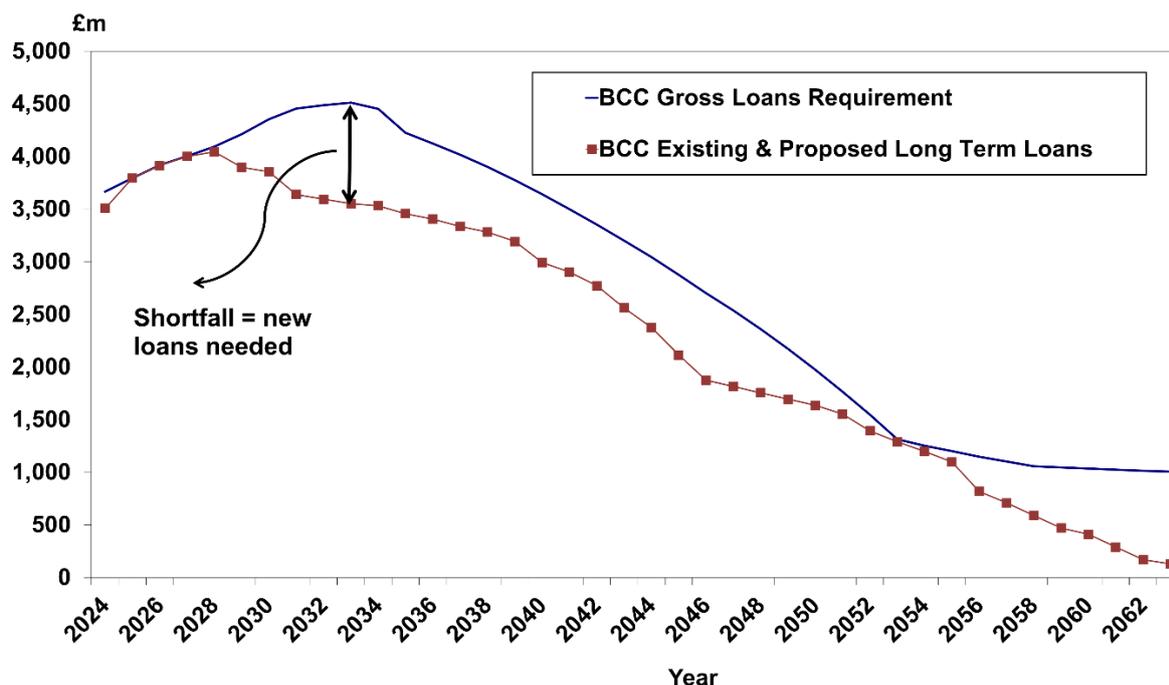
#### Other Sources

- 7.6. The Council will continue to monitor market developments and will seek to use and develop other funding solutions if better value may be delivered. The EFS from DLHUC is likely to have an impact on the Council's ability to source long term funding from other sources alternate to the PWLB.
- 7.7. Other sources of long term borrowing which could be considered if available and the terms are suitable, include listed and private placements, bilateral loans from banks, local authorities or others, Islamic forms of finance and sale and leaseback arrangements.
- 7.8. The Council may consider forward starting loans from capital markets, where the interest rate is fixed in advance, but the cash is received in later years. This would be beneficial when interest rates are forecast to rise in later years and the Council has a future borrowing requirement.
- 7.9. Debt capital markets have indicated ESG bonds or ESG private placements could be competitive when compared to the PWLB, due to a lack of supply and increasing demand from institutional investors. ESG bonds are used to finance projects that support environmental and social goals. Most local authority capital schemes, including significant aspects of Birmingham's capital programme, could be linked to ESG objectives and fit the criteria for an ESG bond. The Council may consider the use of ESG bonds in sourcing long term borrowing, should they be available and if they provide better value through lower costs and rates when compared to PWLB borrowing.
- 7.10. The Council may also restructure existing loans and other long term liabilities e.g. by premature repayment and replacement with new loans.

### **8. Liability Benchmark**

- 8.1. The Council's loan maturity profile can be compared with the level of loan debt outstanding required by this budget report, as follows:

#### **Figure 8.4 BCC Loans Outstanding vs. Gross Loans Requirement (excluding EFS)**



- 8.2. The Gross Loans Requirement in Figure 8.4 represents the level of outstanding loan debt required by this Budget Plan. It takes account of existing loans outstanding plus planned prudential borrowing; this reduces over time as a result of the Minimum Repayment Provision (MRP) for debt. The difference between the Gross Loans Requirement and Existing and Proposed long term loans represents forecast long term and short term borrowing or investments. The Gross Loans Requirement represents a liability benchmark against which to measure the amount and maturity of required borrowing. In practice, future borrowings would never allow the outstanding loans to reach nil as matured debt is replaced by debt for new capital projects.
- 8.3. The shortfall in the medium term as shown in the chart could be met by a short term loans portfolio although this could still be restricted by the availability of local authority lenders following the Council's issuance of its Section 114 notice (see paragraph 5.6 above).
- 8.4. The Treasury Management Prudential Limits and Indicators consistent with the above strategy are set out in Appendix 8D, including a summary loan debt maturity profile.
- 8.5. The Treasury Management Strategy must be flexible to adapt to changing risks and circumstances. The strategy will be kept under review by the Director of Finance and Section 151 Officer, in accordance with treasury management delegations.

## 9. HRA and General Fund Treasury Strategies

- 9.1. The Housing Revenue Account (HRA) inherited a largely long term fixed rate debt portfolio at the start of the current HRA finance system in 2012. As a

result, the Council has previously looked to increase the HRA's exposure to short term loans whenever possible.

- 9.2. The current HRA Business Plan has substantial investment plans for its existing housing stock in order to achieve compliance with Decent Homes Standards. As the HRA seeks to increase its prudential borrowing levels significantly in the next few years, the Council will supplement the HRA with further long term loans, a significant factor in the Council's overall net loan debt increasing over the next few years.
- 9.3. The following table shows how net loan debt for the HRA increases as a result of forecast new long term debt. Conversely net loan debt for the General Fund reduces over the same period although some new debt will be required:

**Table 8.5 Forecast net loan debt for the HRA and General Fund based on the Proposed Borrowing Strategy**

<b>Cumulative debt</b> <i>(taking account of debt maturities and proposed long term borrowing)</i>	<b>2024/25</b> <b>£'000</b>	<b>2025/26</b> <b>£'000</b>	<b>2026/27</b> <b>£'000</b>	<b>2027/28</b> <b>£'000</b>
<b>Housing Revenue Account</b>				
Year end net exposure to variable rates	3,000	14,800	7,100	11,100
Existing HRA long term debt	1,102,100	1,087,300	1,080,800	1,070,100
Forecast HRA new long term debt	182,000	372,000	533,000	702,000
<b>Closing HRA net loan debt</b>	<b>1,287,100</b>	<b>1,474,000</b>	<b>1,620,900</b>	<b>1,783,200</b>
<b>General Fund</b>				
Year end net exposure to variable rates	16,800	41,900	120,200	33,400
Existing GF long term debt	2,072,600	1,930,900	1,711,100	1,627,800
Forecast GF new long term debt	129,000	181,000	260,000	360,000
<b>Closing General Fund net loan debt</b>	<b>2,218,400</b>	<b>2,153,800</b>	<b>2,091,300</b>	<b>2,021,200</b>
Year end variable interest rate assumption	5.50%	4.25%	4.00%	4.00%
Year end fixed interest rate assumption	4.50%	4.25%	4.00%	4.00%

*Note: the variable rate figures above include long term loans maturing in less than a year net of short term investments.*

- 9.4. Variable rate exposure means that a 1% rise in variable rates at the end of 2024/25 would cost an estimated £0.03m per annum for the HRA and £0.2m for the General Fund. The budget provides for a potential increase in variable rates (as shown above), which is considered to be prudent in this context. Variable rate exposure for the HRA and General Fund are likely to be lower than previous years due to the limited availability of local authority lenders since the Council issued its Section 114 notice.

9.5. The Director of Finance and Section 151 Officer will keep the strategy under close review during the year, in light of the Council's financial position and the outlook for interest rates.

## 10. Treasury Management Revenue Budget

10.1. Based on this strategy the proposed budget figures are as follows:

**Table 8.6 Treasury Management Revenue Budget**

	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Net interest costs	141,800	148,800	151,400	151,600
Revenue charge for loan debt repayment	121,000	126,800	132,000	132,500
Other charges	5,800	5,300	5,300	5,300
<b>Total</b>	<b>268,600</b>	<b>280,900</b>	<b>288,700</b>	<b>289,400</b>
Met by the HRA	58,800	65,900	72,500	77,600
Met by the General Fund	209,800	215,000	216,200	211,800
<b>Total</b>	<b>268,600</b>	<b>280,900</b>	<b>288,700</b>	<b>289,400</b>

10.2. The budgeted interest cost in each year reflects a prudent view of borrowing costs and the cost of the additional borrowing in this budget report. Actual interest costs will be affected not only by future interest rates, but also by the Council's cash flows, the level of its revenue reserves and provisions, and any debt restructuring. Earlier Table 8.3 reflected additional capitalisation costs to be met by the General Fund should EFS be granted.

## 11. Investment Strategy

11.1. The Council has surplus cash to lend only for short periods, as part of day-to-day cashflow management and to maintain appropriate cash liquidity. Previously a month end investment balance of £40m in deposits was used as guidance to maintain adequate liquidity. This strategy will aim to have a month end investment balance of £100m to maintain liquidity and meet uncertain cashflows, in light of the Council's restricted access to short term borrowing.

11.2. Any such surplus cash is invested in high credit quality institutions and pooled investment funds such as Money Market Funds (MMFs). MMFs are expected to continue to form a major part of the cash investment portfolio, as they are able to reduce credit risks in a way the Council cannot do independently, by accessing high quality institutions and spreading the risk more widely.

- 11.3. In terms of the Council's ESG considerations for its investment strategy, MMFs are not typically managed with the explicit or implicit aim of being an ESG or 'ethical' product. MMF managers have varying approaches to ESG incorporation with many preferring active engagement, using their shareholding and voting rights to influence and improve corporate behaviour and responsibility.
- 11.4. The ESG credentials of the MMFs that the Council invests in have been reviewed, based on information provided by individual MMFs. All MMF managers have engaged with ESG as an issue for their investors and the Council will consider those MMFs that show a genuine commitment to incorporate ESG as a source of enhanced financial risk management.
- 11.5. Long term investments of one year or more are not currently expected to be appropriate for treasury management purposes, as the Council does not expect to have temporary surplus cash to invest for that length of time.

## **12. Other Treasury Management Activities and Exposures**

- 12.1. The Council has a Treasury Management Panel consisting of senior Finance Officers and treasury officers at the Council. The Council's Treasury Management Panel meets regularly and acts as an advisory body, providing guidance, support and scrutiny to decisions made by treasury officers.
- 12.2. The Council has guaranteed the £73m loan debt issued by NEC (Developments) Plc, which since the sale of the NEC Group has been a wholly owned subsidiary of the Council. The value of this liability, due to mature in 2027, is reflected in the Council's own debt and is managed as part of treasury activity.
- 12.3. The Council is a constituent member of the West Midlands Combined Authority (WMCA). Participating authorities share an exposure to any unfinanced revenue losses of WMCA, including debt finance costs. The Council and other member authorities support WMCA's capital investment plans, which include substantial prudential borrowing (subject to revenue funding support). This exposure is managed through the authorities' voting rights in WMCA including approval to its annual revenue and capital budget.

## **13. Advisers**

- 13.1. Arlingclose Limited are appointed to provide treasury management advice to the Council, including the provision of credit rating and other investment information. Advisers are a useful support in view of the size of the Council's transactions and the pressures on staff time. Arlingclose were reappointed as the Council's treasury management advisor following a competitive tender exercise during 2022/23.

## **14. Prudential Indicators for Treasury Management**

- 14.1. The Council is required under the Local Government Act 2003 and the CIPFA Treasury Management Code to set Prudential Indicators for treasury management. These are presented in Appendix 8D.

## Appendix 8A: Treasury Management Policy

### 1. Overview

- 1.1 This appendix sets out the Council's proposed Treasury Management Policy. The policy sets the overall framework and risk management controls which are used in carrying out the Council's borrowing, lending and other treasury activities.

### 2. Statutory Guidance

- 2.1 This Treasury Management Policy, the Treasury Strategy at Appendix 8, and the Service and Commercial Investment Strategy at Appendix 8B, comply with the statutory requirement to have regard to the following Codes and Guidance:

- CIPFA's Code of practice for Treasury management in the public services (2021)
- CIPFA's Prudential Code for capital finance in local authorities (2021)
- The Government's Statutory Guidance on Local Authority Investments (2018)

- 2.2 The Council has adopted the above Codes.

### 3. The Council's Treasury Management Objectives

- 3.1 The Council's treasury management objectives and activities are defined as:

*"The management of the organisation's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

- 3.2 Effective treasury management will provide support towards the achievement of the Council's business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management<sup>2</sup>.

#### Treasury Management Risks

- 3.3 The Council attaches a high priority to a stable and predictable charge to revenue from treasury management activities, because borrowing costs form a significant part of the Council's revenue budget. The Council's objectives in relation to debt and investment can be stated more specifically as follows:

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<sup>2</sup> Paragraphs 3.1, 3.2, 3.6 and the final sentence of 4.5 are required by the CIPFA Treasury Management Code

*“To assist the achievement of the Council’s service objectives by obtaining funding and managing the Council’s debt and treasury investments at a net cost which is as low as possible, consistent with a high degree of interest cost stability and a very low risk to sums invested.”*

- 3.4 This does not mean that it is possible to avoid all treasury risks, and a balance has to be struck. The main treasury risks which the Council is exposed to include:
- Interest rate risk - the risk that future borrowing costs rise
  - Credit risk - the risk of default in a Council investment
  - Liquidity and refinancing risks - the risk that the Council cannot obtain funds when needed
  - Environmental, Social and Governance (ESG) risks – the risk that the Council’s treasury activities negatively impact sustainability and climate change.
- 3.5 The Treasury Management team has suitably qualified and trained staff to actively manage treasury risks within this Policy framework. However, staff resources are limited, and this may constrain the Council’s ability to respond to market opportunities or take advantage of more highly structured financing arrangements. External advice and support may also be required. The following activities may for example be appropriate based on an assessment at the time, to the extent that skills and resources are available:
- the refinancing of existing debt
  - borrowing in advance of need, and forward-starting loans
  - leasing and hire purchase
  - use of innovative or more complex sources of funding such as listed bond issues, private placements, ESG bond issues and private placements, commercial paper, Islamic finance, and sale and leaseback structures
  - investing surplus cash in institutions or funds with a high level of creditworthiness, rather than placing all deposits with the Government
- 3.6 The successful identification, monitoring and control of risk are the prime criteria by which the effectiveness of the Council’s treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 3.7 The Council’s approach to the management of treasury risks is set out in the rest of this Treasury Management Policy.

#### 4. Managing Treasury Risks<sup>3</sup>

##### Interest Rate Exposures

- 4.1 It is important for the Council to manage its interest rate exposure due to the risk that changes in the level of interest rates leads to an unexpected burden on the Council's finances. As the Council has and expects to have significant loan balances, rather than investment balances, a rise in interest rates poses greater risks for the Council.
- 4.2 The stability of the Council's interest costs is affected by the level of borrowing exposed to short term or variable interest rates. Short term interest rates are typically lower, so there can be a trade-off between short term savings and long term budget stability. The Council will therefore limit the amount of short term debt it holds in order to manage its variable interest rate exposure. The Council will monitor the impact of a 1% interest rate rise on the General Fund, to ensure that it can adequately protect itself should this or a similar scenario occur:

**Table 8A.1 Prudential Limits - Interest Rate Exposure**

	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
General Fund impact of an unbudgeted 1% rise in interest rates	£200,000	£400,000	£1,200,000	£800,000
Upper limit on net variable rate exposures	30%	30%	30%	30%

- 4.3 The above table shows variable rate exposure for the General Fund is expected to be considerably lower than previous years. This is due to lower planned short term borrowing as a result of a generally more restrictive local authority lending market and more restrictive specifically for the Council since the issuance of its Section 114 notices. The current planned variable rate exposure is set out in the Treasury Management Strategy Appendix 8.
- 4.4 Decisions taken to borrow in advance of need will consider all treasury risks together, including interest rate risk and investment risk (credit risk). Such decisions need to weigh the financial implications and risks of deferring borrowing until it is needed (by which time fixed interest rates may have risen), against the cost of carry and financial implications of reinvesting the cash proceeds until required. The Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the

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<sup>3</sup> Throughout this budget report, debt and investments are expressed at nominal value, which may be different from the amortised cost value required in the statutory accounts.

forecast capital programme, to replace maturing loans, or to meet other expected cashflows.

### **Maturity Profile**

- 4.5 The Council will have regard to forecast Gross Loan Debt in managing the maturity profile. This takes account of forecast cashflows and the effect of MRP (minimum revenue provision for debt repayment) to produce a liability benchmark against which the Council's actual debt maturity profile is managed. Taking this into account the proposed limits are as follows:

**Table 8A.2 Prudential Limits - Maturity Structure of Fixed Rate Borrowing**

	<b>lower and upper limits:</b>
under 12 months	0% to 30% of gross loan debt
12 to 24 months	0% to 30%
24 months to 5 years	0% to 30%
5 to 10 years	0% to 30%
10 to 20 years	5% to 40%
20 to 40 years	10% to 60%
40 years and above	0% to 40%

- 4.6 These limits may need to be adjusted for any borrowings and conditions as part of Exceptional Financial Support.

## **5. Investment Policy: All Investments**

- 5.1 The CIPFA Prudential and Treasury Codes recommend that authorities' capital strategies should include a policy and risk management framework for all investments. The Codes identify three types of local authority investment:

- Treasury management investments, which are taken to manage cashflows and as part of the Council's debt and financing activity
- Commercial investments (including investment properties), which are taken mainly to earn a positive net financial return
- Service investments, which are taken mainly to support service outcomes

- 5.2. The Government's investment guidance strengthens the management and reporting framework relating to commercial and service investments.

## **6. Investment Policy: Service and Commercial Investments**

6.1 Service and commercial investments are taken out for different reasons from treasury management investments. The Council's strategy for such investments, including commercial property investments, is set out in Appendix 8B.

## **7. Investment Policy: Treasury Management Investments**

7.1 The Council is a substantial net borrower and only has cash to invest for relatively short periods as a result of positive cashflow or borrowing in advance of expenditure.

7.2 The Council's cashflows and treasury management activity will generally result in temporarily surplus cash to be invested. The following paragraphs set out the Council's policy for these 'treasury management' investments.

7.3 The investment of temporarily surplus cash results in credit risk, i.e. the risk of loss if an investment defaults. In accordance with Government investment guidance, the Council distinguishes between:

- 'Specified Investments' which mature within 12 months and have a 'high credit quality' in the opinion of the authority
- 'Non-specified Investments' which are long term investments (i.e. maturing in 12 months or more), or which do not have such high credit quality. The Government views these as riskier. Such investments require more care, and are limited to the areas set out in the policy for Non-specified Investments below

7.4 Low investment risk is a key treasury objective, and in accordance with Government and CIPFA guidance, the Council will seek a balance between investment risk and return that prioritises security and liquidity as more important than achieving a high return. The Council will also consider secured forms of lending such as covered bonds, but these instruments are not generally available for short term and smaller size deposits.

7.5 The Council seeks to be a responsible investor and will consider ESG factors within the relatively narrow scope of its investments. The Council makes few if any investments in listed equities or bonds and will seek to avoid investment in companies whose business do not have regard to ESG objectives.

7.6 The Council will continue to make deposits only with institutions having high credit quality as set out in the Lending Criteria table below. The main criteria and processes which deliver this are set out in the following paragraphs.

## **8. Specified Investments**

- 8.1 The Council will limit risks by applying lending limits and criteria for 'high credit quality' as shown in Table 8A.3; these limits have been set by the Council in consultation with Treasury advisors.

**Table 8A.3 Lending Criteria**

<b>'Specified' short term loan investments (all in Sterling)</b>	<b>Minimum Short term rating*</b>	<b>Minimum Long term rating*</b>	<b>Maximum investment per counterparty</b>
Banks (including overseas banks) and Building Societies	F1+ /A1+ /P1	AA- /AA- /Aa3	£25m
	F1+ /A1+ /P1	A- / A- /A3	£20m
	F1 /A1 /P1	A- / A- /A3	£15m
	F2 /A2 /P2	BBB+ /BBB+ /Baa1	£10m
Sterling commercial paper and corporate bonds	F1+ /A1+ /P1	A- / A- /A3	£15m
Sterling Money Market Funds (short term and Enhanced)	AAA (with rating indicating lowest level of volatility where applicable)		£40m
Local authorities	n/a	n/a	£25m
UK Government and supranational bonds	n/a	n/a	None
UK Nationalised Banks and Government controlled agencies	n/a	n/a	£25m
Secured investments including repo and covered bonds	Lending limits determined as for banks (above) using the rating of the collateral or individual investment		

\* Fitch / S&P / and Moody's rating Agencies respectively. Institutions must be rated by at least two of the Agencies, and the lowest rating will be taken into account.

- 8.2 Money may be lent to the Council's own banker, in accordance with the above lending limits. However, if the Council's banker does not meet the above criteria, money may only be lent overnight (or over the weekend), and these balances will be minimised.
- 8.3 Credit ratings are monitored on a real-time basis as provided via the Council's Treasury Management advisers, Arlingclose, and the Council's lending list is updated accordingly, when a rating changes. Other information is taken into account when deciding whether to lend. This may include the ratings of other rating agencies; commentary in the financial press; analysis of country, sector and group exposures; and the portfolio make up of Money Market Funds (MMFs). The use of particular permitted counterparties may be restricted if this is considered appropriate.

8.4 Credit rating methodologies and credit limit requirements may change as the circumstances demand: in this event the Director of Finance (Section 151 Officer) may determine revised and practicable criteria seeking similarly high credit quality, pending the next annual review of this treasury management policy.

## **9. Non-specified Investments and Limit**

9.1 For treasury management investment purposes, the Council will limit non-specified investments to £400m (there are presently none), and will use only the following categories of non-specified investments:

- Government stocks (or “Gilts”) and other supranational bonds, with a maturity of less than five years: up to 100% of non-specified investments
- Covered bonds and repo where the security meets the Council’s credit criteria set out above: up to 50% of non-specified investments
- Unsecured corporate bonds, Certificates of Deposit (CD) or Commercial Paper (CP) with a maturity of less than three years, subject to the Lending Criteria in the table above: up to 20% of non-specified investments

9.2 Other categories of non-specified investments will not be used for treasury management purposes.

## **10. Investments of Group Companies**

10.1 The Council participates in a range of joint ventures and companies. The Treasury Management team maintains a group Treasury Policy for group entities with significant investment balances, with the objective that the treasury investments of the companies are invested consistently with the Council’s own treasury investment criteria. This is generally achieved by the Council taking deposits at a commercial rate from the companies.

## **11. Investment Maturity**

11.1. Temporarily surplus cash will be invested having regard to the period of time for which the cash is expected to be surplus. The CIPFA Prudential Code envisages that authorities will not borrow more than three years in advance, so it is unlikely that the Council will plan to have surplus cash for longer than three years. However, where surplus cash for over 12 months is envisaged, it may be appropriate to include some longer term (non-specified) investments within a balanced risk portfolio. The following limits will be applied:

**Table 8A.4 Prudential Limits on Long-term treasury management investments:**

1-2 years	£400m
2-3 years	£100m
3-5 years	£100m

- 11.2. In making investments in accordance with the criteria set out in this section, the Director of Finance and Section 151 Officer will seek to spread risk (for example, across different types of investment and to avoid concentration on lower credit quality). This may result in lower interest earnings, as safer investments will usually earn less than riskier ones.
- 11.3. Where the Council deals with financial firms under the MiFID II regulations<sup>4</sup>, it has requested to be opted up to 'professional' status. This means that the Council does not receive the level of investment advice and information which firms are required to provide to retail investors. Professional status is essential to an organisation of the Council's size, to give it access to appropriate low-risk investments available only to investors classed as professional, and to ensure that it is able to act quickly to invest Council funds safely and to earn a good return.
- 11.4. The Council does not currently use investment managers (other than through the use of pooled investment vehicles such as Money Market Funds). However, if investment managers are appointed, their lending of Council funds would not be subject to the above restrictions, provided that their arrangements for assessing credit quality and exposure limits have been agreed by the Director of Finance and Section 151 Officer.

**12. Policy for HRA Loans Accounting**

- 12.1. The Council attributes debt and debt revenue consequences to the HRA using the 'two pool' method set out in the CIPFA Treasury Management Code. This method attributes a share of all pre-April 2012 long term loans to the HRA. Any new long term loans for HRA purposes from April 2012 are separately identified. The detailed accounting policy arising from the 'two pool' method is maintained by the Director of Finance and Section 151 Officer.

**13. The Council Acting as Agent**

- 13.1. The Council acts as intermediary in its role as agent for a number of external bodies. This includes roles as accountable body, trustee, and custodian, and these may require the Council to carry out treasury management operations as agent. The Director of Finance and Section 151 Officer will exercise the

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<sup>4</sup> The Markets in Financial Instruments Directive 2 (MiFID II) regulates, amongst other things, the way that financial firms provide advice to various categories of client.

Council's treasury responsibilities in accordance with the Council's treasury delegations and relevant legislation and will apply any specific treasury policies and requirements of the external body. In relation to the short term cash funds invested as accountable body, the Council expects to apply the investment policy set out above.

#### **14. Reporting and Delegation**

- 14.1. A Treasury Management Strategy report is presented as part of the annual budget to the Council before the start of each financial year. Monitoring reports are prepared monthly, and presented quarterly to Cabinet, including an Annual Report after the year end.
- 14.2. The management of borrowings, loans, debts, investments and other assets has been delegated to the Director of Finance and Section 151 Officer acting in accordance with this Treasury Management Policy Statement. This encompasses the investment of trust funds where the Council is sole trustee, and other investments for which the Council is responsible such as accountable body funds. The Director of Finance and Section 151 Officer reports during the year to Cabinet on the decisions taken under delegated treasury management powers.
- 14.3. In exercising this delegation, the Director of Finance and Section 151 Officer may procure, appoint and dismiss brokers, arranging and dealer banks, investment managers, issuing and paying agents, treasury consultants and other providers in relation to the Council's borrowing, investments, and other treasury instruments and financing arrangements, and in relation to funds and instruments where the Council acts as agent.
- 14.4. The Director of Finance and Section 151 Officer maintains statements of Treasury Management Practices in accordance with the Code:

TMP1	Treasury risk management
TMP2	Performance measurement
TMP3	Decision-making and analysis
TMP4	Approved instruments, methods and techniques
TMP5	Treasury management organisation, clarity and segregation of responsibilities, and dealing arrangements
TMP6	Reporting requirements and management information arrangements
TMP7	Budgeting, accounting and audit arrangements
TMP8	Cash and cash flow management
TMP9	Money laundering
TMP10	Training and qualifications
TMP11	Use of external service providers
TMP12	Corporate governance

14.5. Similarly, Investment Management Practices for service and commercial investments are prepared in accordance with the Treasury Management Code.

## **15. Training**

15.1. Planned and regular training for appropriate treasury management staff is essential to ensure that they have the skills and up to date knowledge to manage treasury activities and risks and achieve good value for the Council. Staff training will be planned primarily through the Council's performance and development review process, and in accordance with Treasury Management Practice 10. Training and briefings for Councillors are also held as appropriate.

## **Appendix 8B: Service & Commercial Investment Strategy**

*Compliance with the main requirements of the Government's Statutory Guidance on Local Government Investments is shown by cross reference in square brackets to the relevant paragraph of the Guidance.*

### **1. Scope and Purpose of Strategy**

- 1.1. The word "Investments" in this strategy covers financial investments, including loans and equity, which are made to support service objectives and historically have supported commercial objectives. Examples of service investments include loans to InReach, Warwickshire County Cricket Club and the Council's investment in Birmingham Airport. Non-financial investments such as commercial property are included where the main objective had previously been for financial return [4]. Any such property investments are historic and the Council does not now invest primarily for yield. Investments taken for treasury management reasons are considered in the Treasury Management Strategy and Policy, which are separate appendices in this Financial Plan.
- 1.2. This strategy sets out the Council's approach to such investments, including risk management, appraisal, monitoring, governance and procedures. In doing this it addresses the requirements of the 2018 Statutory Guidance on Local Government Investments.
- 1.3. Due to the Council's current challenging financial situation, as set out in the S114 notice issued in September 2023, the scope for any new investments is limited. Any proposed investments will need to be in the context of Financial Recovery, support the delivery of budget savings and the reduction of pressures highlighted in the wider Budget papers, without unduly exposing the Council to financial risks.
- 1.4. A key element of Financial Recovery, outside of the revenue savings above, will be a review and assessment of the capital programme and assets owned by the Council. This is necessary in order to deliver capital receipts to support the formal application for Exceptional Financial Support to help with the financing of the Council's potential Equal Pay liability, the costs involved in a redundancy scheme and support to deliver a balanced budget. As a result, the Council will need to carefully manage its use of internal resources and external borrowing for investment purposes.
- 1.5. Investment values provided in this appendix are the book values in the Council's accounts (generally historic cost), unless otherwise stated.

### **2. Objectives of the Strategy:**

- 2.1. To use investments where appropriate to support the Council's financial recovery, service delivery and corporate priorities, within prudent financial limits.

- 2.2. To ensure that investment decisions and portfolio management are joined up with the Council's overall business and financial planning and considered in accordance with statutory guidance.
- 2.3. To deliver value for money to meet service objectives on commercial or less than commercial terms.
- 2.4. To manage risks in accordance with the Council's risk appetite and financial circumstances (including due diligence when making investment decisions).

### **3. Existing Financial Investment Portfolio**

- 3.1. The Council's service and commercial investments are extremely diverse, given their very different service motives and applications. The estimated book value of financial investments at 31 March 2023 is £114.6m. This value is a largely historic cost and may vary substantially from the value that may be realised if investments were disposed in the current market (either upwards or downwards for individual investments).
- 3.2. The investment portfolio's budgeted net income for 2024/25 is £18m.
- 3.3. Table 8B.3 at the end of this appendix shows the main contribution of the Council's service and commercial investments to Council objectives. [22]

### **4. Investment Policy and Strategy 2024+**

- 4.1. The key priority for the Council is Financial Recovery. Joint working, partnerships and joint delivery arrangements are also important to the effective and efficient provision of Council and wider public services. Financial and property investments may be an ongoing element of the Council's partnership working.
- 4.2. In the context of the current Financial Recovery and priorities, investments may feature in arrangements for:
  - Supporting specific policy priorities in the Council Plan or policy frameworks, e.g. housing, regeneration or preventative action
  - Supporting partnership working, including with the voluntary sector
  - Supporting the Council's savings proposals by providing a direct and indirect financial return within the constraints of the revised Prudential Code and Department for Levelling Up, Housing and Communities (DLUHC) guidelines.
- 4.3. The Council recognises that all investments carry varying risks of financial loss. The risk of losses may seem distant or not be apparent at the time an investment decision is made, but an estimate of the risk of loss is considered from the outset. Financial gains and losses from investments will be managed by the service to which the investment relates.

- 4.4. The Council will continue to be prudent where investments are funded wholly or partly from borrowing, these will be kept to a minimum. Borrowing creates additional costs of interest and repayment. It produces a fixed liability and a fixed repayment obligation, whilst the investment's value and income may be at risk of change. The scope to borrow to fund investments is also limited by the already relatively high level of Council debt and the request for Exceptional Financial Support to the Councils financial position and fund its liabilities.
- 4.5. The Council's risk appetite in relation to new financial investments will be low, given the high level of financial pressures the Council is already exposed to, including the need to balance the revenue budget and manage the level of Council debt. Any new investments will be required to:
- Show a compelling positive contribution to the Council's financial recovery and planned service strategies and must be prioritised within the Council's available resources.
  - Evidence a low financial risk with a commensurate financial return, or if direct financial returns are below commercial levels, provide clear non-financial benefits to the Council which demonstrate strong value for money, and comply with Subsidy Control requirements<sup>5</sup>.
  - Be prioritised within the investment limits set out below, to ensure that investment activity remains proportionate to the Council's overall finances.
  - Strike a prudent balance between security, liquidity and yield (whilst recognising that the delivery of particularly strong service benefits may sometimes justify a higher financial risk) [29]
  - Meet the Council's Environmental, Social and Governance (ESG) considerations
- 4.6. The Council is mindful of Government and CIPFA advice that commercial investments including property must be proportionate to the resources of the authority [34]. The Council will avoid becoming over-reliant on risky investment income to support core service obligations, especially given its low investment risk appetite set out in 4.5 above.
- 4.7. In line with Government Guidance the Council will not borrow to invest purely for financial gain [46]. This principle does not prevent the Council from borrowing for the prudent management of its financial affairs or protection of its existing financial and property investment portfolios in its financial best interests.
- 4.8. Public Works Loans Board (PWLB) lending terms confirm local authorities would not be able to access PWLB loans if they invest in investment assets primarily for yield, after 26 November 2020. The Council has been compliant with this requirement and is not planning any investments primarily for yield.

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<sup>5</sup> Following the UK's exit from the European Union (EU), The EU State Aid regime has been replaced by the broadly similar UK Subsidy Control regime from January 2023.

All service and commercial investments will have regard to the guidance and lending terms issued by HM Treasury.

- 4.9. Budgeted net income from service and commercial investments (including property) represents 1.9% of the net revenue budget in 2024/25 [44]. This investment income exposure represents a manageable financial risk and will be monitored as part of the Council's normal revenue monitoring as well as through the investment indicators (paragraph 7.1 below).
- 4.10. Any shortfall in budgeted net income from service and commercial investments will be managed through the Council's regular budget monitoring and mitigation processes, and through the investment governance arrangements described in paragraph 8.1 below [44].
- 4.11. The arrangements for realising investments and managing liquidity risk will depend on the purpose and nature of the investment in each case. Where investments are funded by borrowing, the Council's MRP Policy (Appendix 8C) sets out the arrangements to repay debt without resorting to a sale of the investments [42-43].

## 5. Financial Investment Plans and Limits for 2024+

- 5.1. The main financial risk when investing in loans and equity is that the loan repayments are not made and that shares lose value. In order to limit the financial impact of investment risks, an overall limit for the Council's service and commercial investments over the next three years (excluding the property investment portfolio) is proposed as follows:

**Table 8B.1 Service and Commercial Investment Strategy**

<b>Financial Investments</b>	<b>estimated value at 31.03.23</b>	<b>Planned Changes</b>	<b>total value</b>	<b>limit</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Loans to subsidiaries	<b>36,400</b>	(4,900)	31,500	
Loans to businesses	<b>32,100</b>	(7,900)	24,200	
Other loans	<b>8,600</b>	(200)	8,400	
Shares in subsidiaries	<b>8,400</b>	0	8,400	
Shares in businesses	<b>27,400</b>	0	27,400	
other shares	<b>1,700</b>	0	1,700	
<b>Total</b>	<b>114,600</b>	<b>(13,000)</b>	<b>101,600</b>	<b>501,600</b>
The figures above are the estimated book value in the Council's accounts				

- 5.2. The planned changes reflect the proposals described above, over the medium term to 2027/28. The limit has been set with a view to allowing scope for further investment of £400m during this period. The investment over the medium term is mainly related to the Enterprise Zone (EZ), made on behalf of

the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP). Investments are supported by additional Business Rates from the EZ or from other EZ income where borrowing will be repaid within the lifetime of the EZ. Any new EZ investments are subject to robust financial evaluation and affordability testing, with any investment that is reliant on borrowing only approved if funding can be achieved through business rates growth in accordance with agreed and prudent financial approval principles.

- 5.3. These investments would be subject to resource prioritisation and business case approval. Cabinet may approve a reallocation of individual limits within the total limit above. The limit applies to the Council's own investments and not to investments which it holds as accountable body or on behalf of others [34, 36].
- 5.4. InReach, the Council's wholly owned housing company, continues to explore opportunities to acquire or develop further schemes to increase its housing supply, with a particular focus on the market rented sector. This may include a role in relation to some of the new housing being delivered as part of the Perry Barr Regeneration Scheme. Any additional schemes will be subject to individual appraisals, and where significant capital investment is required, it is likely that the provision of funding to InReach will be in the form of a blend of additional equity investment and secured loans.
- 5.5. Investments may also carry liquidity risk, which is the risk that funds may be tied up in investments and not available if needed for other purposes. The Council's due diligence procedures for investments review liquidity risk, including how exit routes have been considered and the appropriate maximum period for investments to be committed [42].

## **6. Property Investment Portfolio Plans and Limits for 2024+**

- 6.1. To support the approach to capital assets as part of Financial Recovery (see paragraph 1.4 above), a programme of rationalisation and re-gearing of the property investment portfolio has been agreed. The property investment portfolio in scope for this Strategy is comprised of development sites and strategic assets, industrial premises, retail premises and miscellaneous assets located across the city.
- 6.2. To oversee this property strategy, the Council has set up the new Cabinet Property Committee, where the terms of reference are to approve proposed sales of council property and assets as part of the Council wide Asset Strategy. The Committee will have delegated powers from Cabinet to declare land and property surplus to requirements. It will have the power to determine high value property sales, the means of disposal and the acceptance of offers. The Property Committee's main purpose will be to deliver the capital receipts programme without delays. It will have these powers for both General Fund Assets and Housing Revenue Account Assets.

## 7. Investment Indicators

- 7.1. The Council will use the following investment indicators to strengthen its investment risk management framework, as recommended by the Government Guidance [23]:

**Table 8B.2 Service and Commercial Investment Indicators**

<b>Service and commercial investment indicators</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Financial investments</b>				
planned value	109,000	106,400	104,200	101,600
borrowing to fund investments	50,900	49,300	48,100	46,500
% investments financed by borrowing	46.7%	46.3%	46.2%	45.8%
secured investments	62,300	60,000	57,800	55,300
% investments secured	57.2%	56.4%	55.5%	54.4%
<b>Budgeted investment income (financial and property)</b>				
Net investment income	18,000	18,500	20,500	22,700
Council net revenue budget	1,150,870	1,130,995	1,116,626	1,183,502
Investment income as % of net revenue budget	1.6%	1.6%	1.8%	1.9%
Financial investment limit (cumulative)	206,600	296,600	373,600	466,600

## 8. Governance

- 8.1. The Capital Board will review new investment proposals and programmes prior to approval and will monitor existing investments and risks. The Group and Capital Finance Team and the Treasury Management team will exercise Council-wide oversight and co-ordination of service and commercial investments.
- 8.2. Financial and property investment decision making will follow the Council's Business Case governance requirements, with particular attention to expert due diligence, robust financial appraisal and taking external advice in consultation with the Section 151 Officer. Procedures and checklists for investment appraisal and management are set out in the Council's financial procedures (the Loans, shares, investments and guarantees for service purposes document on the Council's Intranet) [41,50].
- 8.3. Market understanding and analysis will be the responsibility of the relevant service supported by their Finance Business Partner and the Treasury

Management team, but it is recognised that for complex investments, external advice is likely to be needed [41]. New investments must reflect the Council's core priorities and must be agreed by the Section 151 Officer via the Assistant Director, Financial Strategy and the Council's Treasury team before presentation of any executive decision report.

- 8.4. Individual investment monitoring is the responsibility of the service holding the income budget, as part of normal budget monitoring, with overall co-ordination and oversight from Finance staff.
- 8.5. Investment Management Practices are required by the CIPFA Treasury Management Code to support strong and sound financial management in this specialist area. These will be maintained for each type of investment by the service budget-holder responsible, with support from Development and Commercial Finance, and will include appropriate income collection and credit control arrangements [41]. Investment Management Practices will be reviewed annually.
- 8.6. Advisers will be used where necessary to achieve sufficient skills and understanding. In particular, the Council's treasury management adviser (Arlingclose) can provide support in relation to financial investments. These appointments are monitored and assessed by treasury and property officers [41]. The Council's business loans and investments portfolio is managed by Finance Birmingham, the Council's wholly owned fund management company.
- 8.7. Officer and Member training will be available through the Council's treasury advisers, alongside other treasury management training opportunities. Information relevant to investment decisions will form part of executive decision reports to members [48]. Cabinet Committee – Group Company Governance and relevant officers also receive training on companies. Due diligence requirements for investments will ensure that officers are aware of the core principles of the prudential framework and local authority regulatory requirements [49]. These arrangements will support the capacity, skills and culture of the Council in making and managing investments for service and commercial purposes [48-49].

**Table 8B.3 Contribution of Investments to Council Outcomes**

<b>Financial Investments</b>	<b>main contribution</b>	<b>other contribution</b>
<b>Loans</b>		
InReach Ltd - housing developments	housing	profit
Birmingham Propco (NEC Hotels)	economy	profit
Performances Birmingham Ltd	economy	arts
Millennium Point	economy	arts
Business loans portfolio	economy	-
Warwickshire County Cricket Club	economy	-
Acivico ICT Loan	economy	-
BLLP	education	-
Kick Start loans	housing	-
Other commercial loans	various	-
Loans to non-BCC schools	education	-
Birmingham Childrens Trust	children	-
Other small loans	various	-
loans to employees	management	employees
Wholesale Markets	economy	profit
<b>Shares</b>		
Birmingham Airport Holdings	economy	profit
InReach Ltd	housing	-
Birmingham Propco (NEC Hotels)	economy	profit
Business share portfolio	economy	-
Financial vehicle shareholdings	financial mgt	economy
Other small share holdings	various	-

## Appendix 8C: Debt Repayment Policy

### Minimum Revenue Provision Statement 2024/25

#### 1. Introduction

- 1.1 The Government's Capital Finance and Accounting Regulations require local authorities to make 'prudent annual provision' in relation to capital expenditure financed from borrowing or credit arrangements. This is known as Minimum Revenue Provision or MRP, but it is often referred in shorthand as "debt repayment". Local authorities are required to have regard to the Government's statutory guidance on MRP.
- 1.2 This policy applies to the financial year 2024/25. Any interpretation of the statutory guidance or this policy will be determined by the Section 151 Officer (currently the Director of Finance).

#### 2. Principles of Debt Repayment Provision

- 2.1 The term 'prudent annual provision' is not defined by the Regulations. However, the statutory guidance says:

*"the broad aim of prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant".*

- 2.2 The guidance does not prescribe the annual repayment profile to achieve this aim but suggests four methods for making MRP which it considers prudent, and notes that other methods are not ruled out. The Council regards the broad aim of MRP as set out above as the primary indicator of prudent provision, whilst recognising the flexibilities which exist in determining an appropriate annual repayment profile.
- 2.3 The Council considers that the above definition of 'prudent' does not mean the quickest possible repayment period but has regard to the prudent financial planning of the authority overall, the flow of benefits from the capital expenditure, and other relevant factors.
- 2.4 Consistent with the statutory guidance, the Council will not review the individual asset lives used for MRP as a result of any changes in the expected life of the asset or its actual write off. Some assets will last longer than their initially estimated life, and others will not; the important thing is the reasonableness of the estimate.

### **3. General Fund MRP Policy: Borrowing pre 31 March 2008**

- 3.1 The Council's policy is to charge MRP on the pre-2008/09 borrowing at 2% of the balance at 31 March 2008, fixed at the same cash value so that the whole debt is repaid after 50 years.

### **4. General Fund MRP Policy: Prudential Borrowing from 1 April 2008**

- 4.1 The general repayment policy for prudential borrowing from 1 April 2008 is to repay borrowing within the expected life of the asset being financed, subject to a maximum period of 50 years.

- 4.2 The Council's policy is in accordance with the "Asset Life" method in the guidance. The repayment profile will follow an annuity repayment method (like many domestic mortgages) which is one of the options set out in the guidance. This is subject to the following details:

- An average asset life for each project will normally be used. This will be based on the asset life normally used for depreciation accounting purposes (recognising that MRP is estimated at the start of the project, whereas depreciation is not determined until the project has finished, so there may be estimation differences).
- There will not be separate MRP schedules for the components of a building (e.g. plant, roof etc.).
- A standard schedule of asset lives will generally be used, but where borrowing on a project exceeds £10m, expert property advice may also be taken into account.
- Asset life will be determined by the Section 151 Officer.

- 4.3 MRP will commence in the year following the year in which capital expenditure financed from borrowing is incurred, except for single assets where over £1m financed from borrowing is planned, where MRP may be deferred until the year after the asset becomes operational.

- 4.4 Other methods to provide for debt repayment may occasionally be used in individual cases where this is consistent with the statutory duty to be prudent, as justified by the circumstances of the case, at the discretion of the Section 151 Officer.

- 4.5 If appropriate, shorter repayment periods (i.e. less than the asset life) may be used for some or all new borrowing.

### **5. Housing Revenue Account MRP Policy**

- 5.1 The statutory MRP Guidance states that the duty to make MRP does not extend to cover borrowing or credit arrangements used to finance capital expenditure on HRA assets. This is because of the different financial structure of the HRA, in which depreciation charges have a similar effect to MRP.

5.2 The Council's current HRA Business Plan allows for net HRA debt to increase significantly over the next few years. This is in order to meet the investments required for the Council's existing housing stock and for the supply of new homes. Net HRA debt is then forecast to reduce over time with planned repayment of debt. Additional voluntary HRA debt repayment provision may be made from revenue or capital resources.

## **6. Concession Agreements and Finance Leases**

6.1 MRP in relation to concession agreements (e.g. PFI contracts) and finance leases will continue to be calculated on an asset life method for assets under contracts in place before 1 April 2018, using an annuity repayment profile, consistent with the method for prudential borrowing in paragraph 8 above. For assets under contracts entered into from 1 April 2018, the annual MRP charge will match the element of the rent/charge that goes to write down the balance sheet liability, to reflect accounting changes under IFRS16. The Section 151 Officer will determine the appropriate treatment, having regard to the MRP Guidance, in complex cases.

6.2 Where former operating leases have been brought onto the balance sheet due to the adoption of the IFRS 16 Leases accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or incentives, then the annual MRP charges will be adjusted so that the total charge to revenue remains unaffected by the new standard.

## **7. Transferred Debt**

7.1 Transferred Debt is debt held by another local authority whose costs are recharged to the Council (usually as a result of earlier reorganisations, such as the abolition of the former County Council). MRP in relation to Transferred Debt will be charged in line with the MRP policy for borrowings pre 31 March 2008, as described in paragraph 3.1, as the transferred debt relates to that period.

## **SPECIFIC SITUATIONS**

### **8. Statutory capitalisations**

8.1 Expenditure which does not create a fixed asset, but is statutorily capitalised, will follow the MRP treatment in the Government guidance or any approved capitalisation direction, apart from any exceptions provided for below.

### **9. Capitalised loans to others**

9.1 MRP on capitalised loan advances to other organisations or individuals will not usually be required; instead, the capital receipts arising from the loan principal repayments will be used as provision to repay debt. Where principal repayments are not broadly spread over the life of the loan, the Section 151 Officer may determine that annual Revenue MRP must be made for reasons

of prudence. Revenue MRP contributions would still be required equal to the amount of any default on the repayment of the loan advanced, or the expected credit loss where this is required by government guidance.

## **10. Enterprise Zone (EZ)**

- 10.1 Borrowing by the Council related to the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP), and which is supported by additional Business Rates from the EZ or from other GBSLEP income, will be repaid within the lifetime of the EZ or other associated income stream (or the estimated life of the assets being funded, if shorter). This was originally 2038 but has been extended to 2046. This means that the repayment period for EZ-supported borrowing will reduce each year so that all EZ debt can be repaid by 2046.

## **11. Voluntary repayment of debt**

- 11.1 The Council may make additional voluntary debt repayment provision from revenue or capital resources. In this case, the Section 151 Officer may make an appropriate reduction in later years' levels of MRP.
- 11.2 Where it is proposed to make a voluntary debt repayment provision in relation to prudential borrowing from 2008/09 under the asset life method, it may be necessary to decide which assets the debt repayment relates to, in order to determine the reduction in subsequent MRP. The following principles will be applied by the Section 151 Officer in reaching a prudent decision:
- where the rationale for debt repayment is based on specific assets or programmes, any debt associated with those assets or programmes will be repaid
  - where the rationale for debt repayment is not based on specific assets, debt representative of the service will be repaid, with a maturity reflecting the range of associated debt outstanding
- 11.3 Subject to the above two bullet points, debt with the shortest period before repayment will not be favoured above longer MRP maturities, in the interests of prudence, to ensure that capital resources are not applied for purely short term benefits.
- 11.4 Based on this policy, the Capital Financing Requirement (CFR) will be fully repaid by no longer than 50 years after any prudential borrowing is incurred (including PFI). Existing PFI contracts will be fully repaid 40 years after the final capital expenditure under the Council's PFI contracts. On new PFI / finance lease contracts it will be repaid in line with the contractual payments as set out in paragraph 6.1.

## Appendix 8D: Prudential Indicators

Chart 8D.1

WHOLE COUNCIL		24/25	25/26	26/27	27/28
		Indicators	Indicators	Indicators	Indicators
		£m	£m	£m	£m
<b>Capital Finance</b>					
1	Capital Expenditure - Capital Programme	534.1	472.2	483.7	307.6
2	Capital Expenditure - other long term liabilities	37.7	39.3	38.0	38.3
3	Capital Expenditure	571.8	511.5	521.7	345.9
4	Capital Financing Requirement (CFR)	4,970.1	5082.7	5,149.2	5,142.9
<b>Planned Debt</b>					
5	Peak loan debt in year	3,625.8	3,748.2	3,833.0	3,925.0
6	+ Other long term liabilities (peak in year)	324.0	297.0	275.4	252.4
7	= Peak debt in year	3,949.8	4,045.2	4,108.4	4,177.4
8	does peak debt exceed year 3 CFR?	no	no	no	no
<b>Prudential limit for debt</b>					
9	Gross loan debt	4,476.0	4,703.0	4,724.6	4,747.6
10	+ other long term liabilities	324.0	297.0	275.4	252.4
11	= Total debt	4,800.0	5,000.0	5,000.0	5,000.0
<b>Notes</b>					
4	The Capital Financing Requirement represents the underlying level of borrowing needed to finance historic capital expenditure (after deducting debt repayment charges). This includes all elements of the CFR including Transferred Debt.				
5-7	These figures represent the forecast peak debt (which may not occur at the year end). The Prudential Code calls these indicators the Operational Boundary.				
8	It would be a cause for concern if the Council's loan debt exceeded the CFR, but this is not the case due to positive cashflows, reserves and balances.				
11	The Authorised limit for debt is the statutory debt limit. The City Council may not breach the limit it has set, so it includes allowance for uncertain cashflow movements and potential borrowing in advance for future needs.				

## Chart 8D.2

<b>HOUSING REVENUE ACCOUNT</b>		<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
		<b>Indicators</b>	<b>Indicators</b>	<b>Indicators</b>	<b>Indicators</b>
		<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Capital Finance</b>					
1	Capital expenditure	268.1	286.1	267.1	266.9
<b>HRA Debt</b>					
2	Capital Financing Requirement (CFR)	1,287.1	1,474.0	1,620.9	1,783.2
<b>Affordability</b>					
3	HRA financing costs	117.4	125.6	133.7	140.3
4	HRA revenues	322.8	334.1	348.0	363.9
5	HRA financing costs as % of revenues	36.4%	37.6%	38.4%	38.6%
6	HRA debt: revenues	4.0	4.4	4.7	4.9
7	Forecast Housing debt per dwelling	£22,266	£25,568	£28,082	£30,773

### Notes

- 3 Financing costs include interest and depreciation rather than Minimum Revenue Provision (MRP) in the HRA.
- 6 This indicator is not in the Prudential Code but is a measure of long term sustainability.
- 7 This indicator is not in the Prudential Code but is a measure of affordability.

### Chart 8D.3

<b>GENERAL FUND</b>		<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
		<b>Indicators</b>	<b>Indicators</b>	<b>Indicators</b>	<b>Indicators</b>
		<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Capital Finance</b>					
1	Capital expenditure (including other long term liabilities)	303.8	225.5	254.6	79.1
2	Capital Financing Requirement (CFR)	3,683.0	3,608.7	3,528.3	3,359.7
<b>General Fund debt</b>					
3	Peak loan debt in year	2,338.7	2,274.2	2,212.1	2,141.8
4	+ Other long term liabilities (peak in year)	324.0	297.0	275.4	252.4
5	= Peak General Fund debt in year	2,662.7	2,571.2	2,487.5	2,394.2
<b>General Fund Affordability</b>					
6	Total General Fund financing costs	254.1	258.1	258.1	252.8
7	General Fund net revenues	1,150.870	1,130.995	1,116.626	1,183.502
8	General Fund financing costs (% of net revenues)	22.1%	22.8%	23.1%	21.4%

#### **Notes**

- 4 Other long term liabilities include PFI, finance lease liabilities, and transferred debt liabilities.
- 6 Financing costs include interest and MRP (in the General Fund), for loan debt, transferred debt, PFI and finance leases.
- 8 This indicator includes the revenue cost of borrowing and other finance, including borrowing for the Enterprise Zone and other self-supported borrowing.

## Chart 8D.4

<b>TREASURY MANAGEMENT</b>		<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
		<b>Indicators</b>	<b>Indicators</b>	<b>Indicators</b>	<b>Indicators</b>
1	General Fund impact of an unbudgeted 1% rise in interest rates	£0.2m	£0.4m	£1.2m	£0.3m
2	Variable rate exposures vs upper limit 30%	5%	4%	7%	5%
<b>Maturity structure of borrowing</b> (lower limit and upper limit)		<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
		<b>Year End</b>	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>
3	under 12 months	3%	4%	6%	4%
4	12 months to within 24 months	4%	6%	2%	1%
5	24 months to within 5 years	10%	9%	8%	8%
6	5 years to within 10 years	11%	7%	7%	9%
7	10 years to within 20 years	25%	31%	36%	40%
8	20 years to within 40 years	44%	41%	39%	36%
9	40 years and above	3%	2%	2%	2%
<b>Investments longer than 364 days</b> upper limit on amounts maturing in:		<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
10	1-2 years	0	0	0	0
11	2-3 years	0	0	0	0
12	3-5 years	0	0	0	0
13	Later	0	0	0	0

### **Notes**

- 1 Based on year end debt borrowing less investments, with less than one year to maturity.
- 2-9 These indicators assume that LOBO loan options are exercised at the earliest possibility and are calculated as a % of net loan debt.
- 2 The limit on variable rate exposures is a local indicator.

## **Appendix 9: Fees & Charges**

1. The Council has been working to improve its commercial performance and drive innovation by increasing income and generating efficiencies across all services to improve its financial position.
2. A commercial approach has been employed across appropriate service areas, including the continued use of trading accounts to ensure that local fees and charges are market driven and move towards covering the cost of provision.
3. The Council's Corporate Charging Policy states that net income maximisation should be the ultimate aim of "charged for services" and recognises that price setting should seek to optimise both financial and policy objectives. The policy also states that unless there is an explicit policy objective to subsidise delivery of a specific service, fees and charges should achieve a minimum of full cost recovery in the delivery of discretionary services. Where full cost recovery is not achievable, consideration will be given to withdrawing from or reducing the delivery of discretionary services.
4. Revised charges will come into effect from 1 April 2024.

### **2024/25 Process**

5. Trading account analysis continues to be used to better inform the relationship between cost and income and understand the level of cost recovery being achieved. This supports services to review their fees and charges and enhance the decision-making process to add insight on the commercial and social value.
6. The Council has, like citizens and businesses, seen costs hit by high levels of inflation due to the impact of the cost-of-living crisis. As part of the ongoing efforts to find significant savings to bridge the Councils budget deficit, the decision was made to seek a 10% increase to fees and charges where possible. Services have made a concerted effort to do so and the fees presented were subject to review, including in some cases a detailed commercial assessment and benchmarking against comparable councils.
7. This excludes charges for statutory services which are set nationally. Services prepared cost analysis and benchmarking comparison with neighbouring authorities to set fees and charges at the appropriate level to ensure that costs

are met and provide value for money to Council Taxpayers. Some new charges have been introduced and are set out below. The full schedule of proposals is included in this Appendix.

### **Legal Powers**

8. The legal powers that the Council has in respect of fees and charges are contained in a number of statutes, including the following pieces of legislation which include:
  - a. Localism Act 2011: General power of competence available to local authorities to do “anything that individuals generally do.”
  - b. Local Government Act 1972, s111: A local authority shall have the power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
  - c. Local Government Act 2003, s.93: Power to charge for discretionary services. “A relevant authority may charge a person for providing a service to him if (a) the authority is authorised, but not required, by an enactment to provide services to him, and (b) he has agreed to its provision.”
  - d. Local Authorities (Goods and Services) Act 1970 Supply of goods and services by local authorities and ability of parties to enter into an agreement to include terms as to payments.

### **Approvals**

9. According to the Council’s Fees and Charges Guidance, included as a background paper to this report, all fees and charges should form part of an annual fees and charges report, to be presented to Cabinet and reported to Full Council as part of the budget process.
10. The majority of charges need to be approved by Cabinet. However, it should be noted that there are a number of fees and charges that are subject to legislative provisions and are set by Government. Further, other fees and

charges are subject to stringent criteria about how they can be increased or the level and type of fees and charges that can apply.

### **Licensing and Public Protection Committee**

11. Fees and Charges in respect of Trading Standards, Environmental Health, Licensing, Highways Skip Permits, Street Trading, Registration of Births, Deaths, and Marriages (all services) are considered by the Licensing and Public Protection Committee (LPPC). Reports of 2024/25 fees and charges and the decisions taken with respect to these can be found in the background documents to this report.
12. Minutes of 17th January 2024 LPPC are not currently available on CMIS at the time of publishing this report. Minutes will be available in the document pack for next LPPC meeting of 13th March 2024.
13. At the Licensing and Public Protection Committee meeting of 14th January 2024, members resolved that in respect of the proposed new fee relating to the domestic service to treat rats in house or garden, that this service should be provided free rather than at £24 per treatment inclusive of VAT proposed in the Officers report of 14th January 2024. This proposed fee of £24 (inclusive of VAT) has been included in this appendix of this budget report for consideration and approval by City Council as part of the budget setting process.
14. While the constitution has delegated powers for the setting of Pest Control fees and charges to LPPC, with respect to the contributory charge for domestic rats in house/garden this fee is part of the budget setting proposals overseen by Cabinet. Whilst Cabinet cannot reverse a decision made by LPPC, City Council can use its powers to make another decision. As such this matter will be put before City Council as part of the 2024/25 budget setting process.
15. Highways Fees and Charges in relation to specified licences and permits are due to be considered by Licensing and Public Protection Committee on 13th March 2024.

### **Commercially Confidential**

16. For some services that operate in competitive traded environments, it is inappropriate to publish prices as part of a report, as they require flexibility to

negotiate with customers, provide bespoke packages and respond to market conditions (e.g. Trade Waste, Schools Financial Services)

### **Value Added Tax**

17. Value Added Tax (“VAT”) is a transaction-based tax. Every transaction entered by the Council is subject to VAT. Transactions are either “business” or “non-business”. Non-business transactions include services that the Council provides under statute, i.e. under legislation governing service provision and/or charging, e.g. planning. Business transactions are those that the Council undertakes “actually or potentially” in competition with the private sector, e.g. crematoria services, land transactions, supplies of staff, and catering, etc.
18. Non-business transactions are outside of the scope of VAT (also described as non-business) whilst business transactions are standard rated, reduced rated, zero rated or exempt. Reduced rated, zero rated and exempt transactions are defined in VAT law.

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Adult Social Care</b>				
<b>Weekly Residential Care for Adults - short stay - including External, all client groups</b>				
Residents – all age groups – Short Stay (capital savings over £23,250)	Full Cost	Full Cost		
Residents Age 18 to 59 – Short Stay (capital savings under £23,250)	£122.80	£131.03	£8.23	6.70%
Residents Age over 60 – Short Stay (capital savings under £23,250)	£165.59	£176.68	£11.09	6.70%
Personal Allowance	£28.25	£30.15	£1.90	6.73%
<i>These rates are based on guidance from DOH and DWP. In order to determine the contribution, we use the age-related minimum level of income guarantee that DWP would pay less personal allowance to set the rate.</i>				
Standard Charge – Older People - Weekly	£928.20	£990.39	£62.19	6.70%
<i>Note this rate is used for in house care centers in exceptional circumstances.</i>				
<b>Care Act - New Charges in accordance with Act - charges per care package</b>				
Brokerage Fee (one off admin fee if BCC arranges care for self-funders)	£342.30	£376.50	£34.20	9.99%
Deferred Payment Fee (one off admin fee if BCC agrees to secure charges against property)	£749.70	£824.00	£74.30	9.91%
Deferred charge interest rate	3.18%	3.43%		0.25%
<b>Residential Charge to Other Local Authorities charges per Care Package</b>				
<b>Day Care for Adults – Charges for Refreshments</b>				
Toast per slice	£0.77	£0.50	-£0.27	-35.06%
Cereal and Milk	£1.24	£1.00	-£0.24	-19.35%
Lunch	£4.59	£4.10	-£0.49	-10.68%
Sweet	£1.60	£1.10	-£0.50	-31.25%
Packed Lunch	£5.26	£4.75	-£0.51	-9.70%
Baguettes (Various Fillings)	£3.20	£2.70	-£0.50	-15.63%
Jacket Potato with Filling	£3.20	£2.70	-£0.50	-15.63%
Sandwiches	£2.11	£2.00	-£0.11	-5.21%
Portion of Chips	£2.01	£1.50	-£0.51	-25.37%
Evening Meal	£3.25	£2.75	-£0.50	-15.38%
Slice of Cake or Similar	£1.13	£0.65	-£0.48	-42.48%
Fruit	£0.62	£0.50	-£0.12	-19.35%
<b>Adult Social Care</b>				
<b>Internal Day Care for Adults – Standard Daily Charge (Exclusive of Meals)</b>				
<b>No changes are proposed to existing internal day care charges</b>				
<b>Home Care - Hourly Rate</b>				
Average Hourly Blended Rate for all clients	N/A			
Hourly rate all clients (external provision only)	£17.19	£17.79	£0.60	3.49%
<b>Travel</b>				
Travel Passes – Full Validity	£73.50	£75.00	£1.50	2.04%
Blue badges – (New & Renewal) - maximum allowable (Must keep at £10)	£10.00	£10.00	£0.00	0.00%
<b>Room Hire – for 4 hours or part thereof</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Hire of Rooms – Org “A” – large hall	£70.35	£77.00	£6.65	9.45%
Hire of Rooms – Org “A” – large room	£63.00	£69.00	£6.00	9.52%
Hire of Rooms – Org “A” – small room	£42.00	£46.00	£4.00	9.52%
Hire of Rooms – Org “C” – large hall	£117.60	£129.00	£11.40	9.69%
Hire of Rooms – Org “C” – large room	£90.30	£99.00	£8.70	9.63%
Hire of Rooms – Org “C” – small room	£63.00	£69.00	£6.00	9.52%
Other Establishments	£116.55	£128.00	£11.45	9.82%
A Type “A” organisation is one providing facilities for people with disabilities or older people. Type “B” organisations, who are not charged are “Friends of Establishments”. All other organisations are Type “C”.				
Prices subject to negotiation for long term/major bookings				
<b>Funerals and Protection of Property - Per Funeral</b>				
Funerals – Lower Band	£1,077.30	£1,180.00	£102.70	9.53%
Funerals – Middle Band	£1,750.35	£1,920.00	£169.65	9.69%
Funerals – Higher Band	£2,092.65	£2,300.00	£207.35	9.91%
Banking of Monies	£58.80	£60.00	£1.20	2.04%
Storage of Property	£91.35	£100.00	£8.65	9.47%
Protection of property charge (original)	£342.30	£0.00	–£342.30	–100.00%
Protection of property charge (initial month)	£0.00	£250.00	New for 2024	
Protection of property charge (additional months)	£0.00	£100.00	New for 2024	

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Protection of property charge (additional visit)	£0.00	£150.00	New for 2024	
Asset Tracing and Recovery- based on cost	£342.30	£370.00	£27.70	8.09%
<i>Note: Vat may apply on administrative costs</i>				
<b>Meals Taken by Staff &amp; Public - Normal Vat rules apply</b>				
Breakfast – Full	£5.16	£4.90	£-0.26	-5.04%
Breakfast – Continental	£5.16	£4.90	£-0.26	-5.04%
Hot Drinks (Tea/Coffee)	£1.08	£0.80	£-0.28	-25.93%
Bottled Drinks (excluding bottled water 80p)	£1.50	£1.50	£0.00	0.00%
Toast per slice	£0.82	£0.50	£-0.32	-39.02%
Cereal and Milk	£1.70	£1.00	£-0.70	-41.18%
Main Meal	£6.65	£6.50	£-0.15	-2.26%
Soup of the Day	£3.00	£3.00	£0.00	0.00%
Sweet	£2.17	£1.75	£-0.42	-19.35%
Baguettes (Various fillings)	£3.00	£3.50	£0.50	16.67%
Jacket Potato with filling	£3.87	£3.50	£-0.37	-9.56%
Jacket Potato with butter	£3.40	£3.10	£-0.30	-8.82%
Plain Omelette (fillings charged at 60p each)	£2.00	£2.00	£0.00	0.00%
Sandwiches	£2.99	£2.60	£-0.39	-13.04%
Portion of Chips	£2.68	£2.30	£-0.38	-14.18%
Slice of Cake or Similar	£1.60	£1.15	£-0.45	-28.13%
Fruit	£0.62	£0.50	£-0.12	-19.35%
Specials / Bundles - price based on cost of production				
<b>Adult Social Care</b>				
<b>Shared Lives - Management Fees to other Local authorities</b>				
Shared Lives - Service User charges for Food and utilities to be paid direct to carer	£54.13	£57.00	£2.87	5.30%
Shared Lives - Service User contribution for rent	£107.13	£114.00	£6.87	6.41%
Shared Lives - Care costs - long term support Low Band	£328.65	£350.00	£21.35	6.50%
Shared Lives - Care costs - long term support Medium Band	£364.35	£388.00	£23.65	6.49%
Shared Lives - Care costs - long term support High Band	£437.85	£467.00	£29.15	6.66%
Shared Lives - Care costs - Respite Low Band	£435.78	£464.00	£28.22	6.48%
Shared Lives - Care costs - Respite Medium Band	£471.48	£503.00	£31.52	6.69%
Shared Lives - Care costs - Respite High Band	£544.98	£581.00	£36.02	6.61%
<b>Early Intervention and Prevention</b>				
<b>Overdue Charges</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Overdue Charges - Books and Sound Recordings - Per Day	£0.26	£0.25	-0.01	-3.85%
Overdue Charges - Maximum Charge	£6.46	£6.50	0.04	0.62%
Overdue Charges - Books and Sound Recordings - Concessionary Per Day	£0.14	£0.13	-0.01	-7.14%
Overdue Charges - Concessionary Maximum Charge	£3.26	£3.25	-0.01	-0.31%
Overdue Charges - DVDs Per Day	£0.84	£0.90	0.06	7.14%
Overdue Charges - DVDs Maximum Charge	£7.51	£6.50	-1.01	-13.45%
Book/periodical article/music score sourced outside of the City Council	£11.55	£12.75	1.20	10.39%
Renewal of externally sourced ILL	£6.30	Not applicable		
Loss of British Library book	£154.35	Not applicable		
<b>Libraries</b>				
<b>Talking Books Hire</b>				
Talking Books Hire - Standard	£1.42	£1.60	0.18	12.68%
Talking Books Hire - Concessionary	£0.84	£0.80	-0.04	-4.76%
<b>Music Library Services</b>				
Compact discs (and LPs) hire - per 2-week loan	£1.63	£1.80	0.17	10.43%
Concessions and Under 18's - per 2-week loan	£0.84	£0.90	0.06	7.14%
<b>Music Practice Room Hire</b>				
Music Practice Room - 30 min	£3.26	£3.50	0.24	7.36%
Music Practice Room - 1 hour	£5.36	Not applicable		
<b>Loan of orchestral and choral sets from the Library of Birmingham</b>				
<b>Standard charge (Concession for Birmingham Societies)</b>				
Orchestral Set - Premium	£43.05	£48.00	4.95	11.50%
Orchestral Set - Premium (Concessionary rate)	£32.55	£36.00	3.45	10.60%
Orchestral Set - Long	£32.55	£36.00	3.45	10.60%
Orchestral Set - Long (Concessionary rate)	£22.05	£25.00	2.95	13.38%
Orchestral Set - Short	£22.05	£25.00	2.95	13.38%
Orchestral Set - Short (Concessionary rate)	£11.03	£12.50	1.47	13.33%
Band Set - Per set	£11.03	£12.00	0.97	8.79%
Band Set - Per set (Concessionary rate)	£7.88	£8.50	0.62	7.87%
Vocal Set - Long - per bloc of up to 30 copies	£1.16	£1.30	0.14	12.07%
Vocal Set - Long - per bloc of up to 30 copies - (Concessionary rate)	£0.74	£0.80	0.06	8.11%
Vocal Set - Compilation	£0.68	Not applicable		

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Vocal Set - Compilation (Concessionary rate)	£0.42	£0.50	0.08	19.05%
Vocal Set - Short - per bloc of up to 30 copies	£0.47	£0.50	0.03	6.38%
Vocal Set - Short - per bloc of up to 30 copies - (Concessionary rate)	£0.26	£0.30	0.04	15.38%
Overdue charge - for late or incomplete return of music sets (including sets of choral sets)	£6.56	£7.30	0.74	11.28%
<b>Libraries</b>				
Maximum overdue charge per music set	£25.73	£28.00	2.27	8.82%
<b>Multimedia</b>				
Top 50 Videos and DVDs - 2-night hire	£2.68	£2.75	0.07	2.61%
All other videos and DVDs - 7-night hire	£1.63	£1.80	0.17	10.43%
<b>Charges for lost or damaged material</b>				
Out of print or non-commercially available items	£22.05	£24.26	2.21	10.00%
Children under 5 and children or adults in exempt borrower categories are exempt from such charges in relation to damaged or lost material. Looked After Children are also exempt from charges relating to both loss and damage to material.				
Lost Library Cards	£2.68	£3.00	0.32	11.94%
Lost Library Cards - Under 18 years old	£1.37	£1.50	0.13	9.49%
<b>Photocopies, Printouts and Photographs</b>				
Photocopies (staff supplied) A3	£0.42	£0.50	0.08	19.05%
Photocopies (staff supplied) A4	£0.84	£1.00	0.16	19.05%
Photocopies (coin operated) A4 B&W	£0.21	£0.20	-0.01	-4.76%
A4 Colour	£1.05	£1.00	-0.05	-4.76%
A3 B&W	£0.42	£0.40	-0.02	-4.76%
A3 Colour	£1.68	£2.00	0.32	19.05%
Printout from public access terminal (per side) A4 B&W	£0.21	£0.20	-0.01	-4.76%
A4 Colour	£1.05	£1.00	-0.05	-4.76%
A3 B&W	£0.42	£0.40	-0.02	-4.76%
A3 Colour	£1.68	£2.00	0.32	19.05%
Camera permit - Wolfson Centre	£3.68	£4.00	0.32	8.70%
<b>Personal Scanning</b>				
A4	£0.21	£0.00	-0.21	-100.00%
A4 Colour	£0.74	£0.00	-0.74	-100.00%
A3	£0.32	£0.00	-0.32	-100.00%
A3 Colour	£1.58	£0.00	-1.58	-100.00%
<b>Digital copying service</b>				
<b>Personal use</b>				
CD/DVD/email with one scanned file/image (Standard rated)	£10.50	£11.50	1.00	9.52%
per additional image on CD/DVD/email (Standard rated)	£8.40	£9.25	0.85	10.12%
A5 Print (inc. scanning/retrieval charge) (Standard rated)	£12.60	£14.00	1.40	11.11%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
A4 Print (inc. scanning/retrieval charge) (Standard rated)	£14.70	£16.00	1.30	8.84%
A3 Print (inc. scanning/retrieval charge) (Standard rated)	£18.90	£21.00	2.10	11.11%
<b>Libraries</b>				
A2 Print (inc. scanning/retrieval charge) (Standard rated)	£42.00	£45.00	3.00	7.14%
A1 Print (inc. scanning/retrieval charge) (Standard rated)	£52.50	£60.00	7.50	14.29%
P&P for discs and prints (only up to A3 size, UK only) (Standard rated)	£3.15	£3.50	0.35	11.11%
<b>Commercial and media usage</b>				
Research (where appropriate) per hour	£38.85	£45.00	6.15	15.83%
Fast track service (minimum charge £35.00) per hour	£77.70	£90.00	12.30	15.83%
<b>Business Support Charges</b>				
All other databases (Standard rated) per page	£0.21	Not applicable		
Mailing Lists (Standard rated) per company	£0.32	£0.35	0.03	9.37%
Company Financial Reports (Standard rated) per report	£21.53	£24.00	2.47	11.47%
Market Information & Desk Research (Standard rated) per hour	£80.33	£90.00	9.67	12.04%
Market research (Standard rated) per report	£26.78	Not applicable		
Fax UK per page	£1.68	Not applicable		
Fax International per page	£2.84	£3.50	0.66	23.24%
<b>Genealogy &amp; Research services - Genealogy Research service withdrawn 2011</b>				
Diocesan Records copy certificates service - standard rated	£14.39	Not applicable		
Rental of space for records storage - per year per standard shelf	£33.08	£40.00	6.92	20.92%
Retrieval of stored items- per box	£3.89	£4.30	0.41	10.54%
Archives Card Replacement	£1.58	Not applicable		
Research fees (closed records)	£35.28	Not applicable		
Skills Workshops - delivered by archives staff	£385.88	£430.00	44.12	11.43%
Facilitated workshops/events - per hour- delivered by third parties	£24.26	£27.50	3.24	13.36%
Conservation repair - Per 15 Minutes	£23.10	£26.00	2.90	12.55%
Archive Census Vouchers	£5.25	Not applicable		
<b>Sales</b>				
Memory sticks - per memory stick (standard rated)	£6.83	£7.50	0.67	9.81%
Disposable headphones - per set (standard rated)	£1.63	Not applicable		
Sale of Goods in Retail Outlet	Priced Per Item	Not applicable		
Used Book Sales	Price Per Item	Not applicable		
<b>Children's Library (Library of Birmingham) lunch area</b>				
45 minutes per group	£21.00	Not applicable		
1 hour 45 minutes per group	£36.75	Not applicable		
<b>Other</b>				
Research Services (FOI)	£17.85	£25.00	7.15	40.06%
Research Services	£107.10	£120.00	12.90	12.04%
1 to 1 IT training* (30 minutes)	£10.50	£11.50	1.00	9.52%
<b>Libraries</b>				
<b>Laminating</b>				
A4	£1.05	£1.20	0.15	14.29%
A3	£1.58	Not applicable		
<b>Filming/Photography</b>				
Per hour/part hour	£110.25	£120.00	9.75	8.84%
<b>Reproduction of material held in Birmingham Archives &amp; Collections — for commercial use</b>				
Non-academic/independent printed books/magazines	£147.00	£160.00	13.00	8.84%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
eBook, electronic report	£147.00	£160.00	13.00	8.84%
Exhibition	£157.50	£175.00	17.50	11.11%
Educational/not for profit film or transmission	£63.00	£65.00	2.00	3.17%
Commercial film or transmission exhibition	£231.00	£250.00	19.00	8.23%
Material used in talk or presentation only	£315.00	£330.00	15.00	4.76%
<b>Place, Prosperity &amp; Sustainability</b>				
<b>Transportation, Connectivity &amp; Highways</b>				
Road Safety Publicity Material - Provided to other Local Authorities / Organisations	Various charges	Various charges		
Highway Stopping Up Orders s.116	£6,273.75	£6,900.00	£626.25	9.98%
Footpath Stopping Up / Diversion Order	£6,273.75	£6,900.00	£626.25	9.98%
Public Spaces Protection Orders	£8,006.25	£8,800.00	£793.75	9.91%
Post Stopping Up Management and Site Inspection	£3,489.15	£3,850.00	£360.85	10.34%
<b>Land Charges and Street Naming</b>				
Street Naming – application Fee (non-refundable) plus fee for each property/unit/plot below		£180.00	New for 2024	
Street Naming - addressing of each property/unit/plot		£60.00	New for 2024	
Maximum fee for Street Naming and Numbering		£15000.00	New for 2024	
Street Naming -Naming a new road(s) (plus cost as for property numbering)		£300.00	New for 2024	
Revising an address after notification of postal address - Application fee (non-refundable) plus fee for each property/unit/plot below		£180.00	New for 2024	
Revising an address after notification of postal address - fee for each property/unit/plot		£60.00	New for 2024	
Confirmation of postal address to solicitors, commercial organisations etc. - Application fee (non-refundable) plus fee for each property/unit/plot below		£180.00	New for 2024	
Confirmation of postal address to solicitors, commercial organisations etc. fee for each property/unit/plot		£60.00	New for 2024	
Renaming of a street - Application fee (non-refundable) plus fee for staff time below		£1600.00	New for 2024	
Renaming of a property or a street - hourly rate for staff time (plus legal fees where appropriate)		£35.00	New for 2024	
Answer official enquiries or letters relating to property, land and the highway from solicitors, building societies, or search agents		£35.00	New for 2024	
Searches and Enquiries CON29 Property Search	£84.42	£95.00	£10.58	12.53%
Searches and Enquiries CON29 Additional Question	£16.38	£20.00	£3.62	22.10%
Searches and Enquiries LLC1 Property Search	£32.55	£35.00	£2.45	7.53%
Additional Parcel Fees		£26.00	New for 2024	
Search Follow-Up - Full Enquiry Land Charges and Highway Searches per Property		£18.60	New for 2024	
General Enquiry Highways Information and Land Charges per Property		£18.60	New for 2024	
Searches and Enquiries Private Companies per Property		£18.60	New for 2024	
Definitive Map - Legal Event as a result of change to public rights of way	£1,233.75	£1,360.00	£126.25	10.23%
<b>Transportation, Connectivity &amp; Highways</b>				
<b>School Travel Plans</b>				
Production of School Travel Plan as condition of Planning application	£3,412.50	£3,755.00	£342.50	10.04%
Annual monitoring of School Travel Plan as condition of Planning application	£853.65	£940.00	£86.35	10.12%
Staff support for using the Modeshift STARS system to produce a School Travel Plan.	£1,705.20	£1,875.00	£169.80	9.96%
<b>Transportation and Connectivity Miscellaneous</b>				
S31(6) Deposits only (up to 5 hectares)	£626.85	£690.00	£63.15	10.07%
S31(6) Deposits only (each hectare above 5 hectares)	£43.05	£50.00	£6.95	16.14%
Village Green Deposits only (up to 5 hectares)	£569.10	£630.00	£60.90	10.70%
Village Green Deposits only (each hectare above 5 hectares)	£43.05	£50.00	£6.95	16.14%
Combined S31(6) and Village Green Deposits (up to 5 hectares)	£853.65	£940.00	£86.35	10.12%
Combined S31(6) and Village Green (each hectare above 5 hectares)	£43.05	£50.00	£6.95	16.14%
Miscellaneous Charges - Traffic Modelling Data and Model Runs - Staff Costs	At Cost + 15% Management Fee	At Cost + 15% Management Fee		

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Traffic Modelling Data Access and Processing – testing transport proposals and impact of developments and potential mitigations – private sector developers (Exclusive of VAT)	£10,000 per project	£25,000 per project		
Transport Modelling Data Access and Processing – testing transport proposals and impact of developments and potential mitigations – public sector partners and third sector (50% discounted as potential data sharing) (Exclusive of VAT)	£5,000 per project	£5,000 per project		
Transport Modelling Data Access for Air Quality purposes		£2,000 per project	New for 2024	
Road Safety Talks/Workshops (for pupils)	£413.70	£460.00	£46.30	11.19%
Scoutability Training (for pupils)	£827.40	£910.00	£82.60	9.98%
CPD teacher training courses on Road Safety and Clean Air	£1,653.75	£1,820.00	£166.25	10.05%
Ongoing support with use of Modeshift STARS system past any initial free of charge consultation	£66.00 per hour	£77.00 per hour + 15% Management Fee		
Production of Workplace Travel Plan as condition of Planning application	£3,307.50	£3,640.00	£332.50	10.05%
Annual monitoring of Workplace Travel Plan as condition of Planning application	£1,653.75	£1,820.00	£166.25	10.05%
Staff support for using the Modeshift STARS for system to develop and produce an action plan	£69.30	£76.00	£6.70	9.67%
Delivery of workplace activities or initiatives as part of agreed action plan	£69.30	£76.00	£6.70	9.67%
Staff support for using the Modeshift STARS for system to conduct a workplace site audit	£69.30	£76.00	£6.70	9.67%
Staff support for using the Modeshift STARS for system to undertake bespoke workplace travel survey.	£69.30	£76.00	£6.70	9.67%
Ongoing support with use of Modeshift STARS for system past any initial free of charge consultation	£69.30	£76.00	£6.70	9.67%
<b>Transportation, Connectivity &amp; Highways</b>				
<b>Property Strategy and Information</b>				
Production of City Street Maps				
Production of bespoke mapping plans at cost due to variable complexity of Orders and Production of transactional plans for first hour worked (or part hour). Amendments to existing plan originally provided by service charged at hourly rate with minimum charge of 1/2 hour.	£144.34	£160.00	£15.66	10.85%
Production of bespoke mapping plans at cost due to variable complexity of Orders and Production of transactional plans for additional hours or part hours worked	£91.66	£100.00	£8.34	9.10%
<b>Birmingham Property Services</b>				
<b>Disposals (freehold or long leasehold sales) with consideration of:</b>				
£0 - £5,000	£630.00	£700.00	£70.00	11.11%
£5,001 - £25,000	£1,260.00	£1,400.00	£140.00	11.11%
£25,001 - £50,000	£2,205.00	£2,430.00	£225.00	10.20%
£50,001 - £100,000	£2,467.50	£2,720.00	£252.50	10.23%
£100,001 plus (1% of disposal price min £2,000)	£2,520.00	£2,780.00	£260.00	10.32%
<b>Administration fee:</b>				
Auction sale £0 - £199,999	£1,312.50	£1,450.00	£137.50	10.48%
Auction sale £200,000 plus	£2,100.00	£2,310.00	£210.00	10.00%
Leasehold Reform Act Sales	£472.50	£520.00	£47.50	10.05%
Minor disposals (e.g. access land strips)	£157.50	£200.00	£42.50	26.98%
Garden land	£630.00	£695.00	£65.00	10.32%
<b>Investment Portfolio Business Area:</b>				
Ground Leases re-gearing	1.Initial fee of £1,515.00 for carrying out valuation (payable prior to carrying out valuation)	1.Initial fee of £1,575 for carrying out valuation (payable prior to carrying out valuation)	£60.00	10.00%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Ground Leases re-gearing	2. If the matter proceeds to legal completion, additional fee of £1,515.00 payable on completion	2. If the matter proceeds to legal completion, additional fee of £1,575 payable on completion	£60.00	10.00%
Tenancies	£425.25	£467.78	£42.53	10.00%
Leases	2% of annual rent subject to a minimum of £380. In addition, a non-refundable deposit of £380 to be collected up front as initial contribution to the Council's legal costs	2% of annual rent subject to a minimum of £400. In addition, a non-refundable deposit of £400 to be collected up front as initial contribution to the Council's legal costs	£20.00	5.26%
Copies	£149.10	£165.00	£15.90	10.66%
Rent Review document	£157.50	£175.00	£17.50	11.11%
Licences	£425.25	£470.00	£44.75	10.52%
Administration fees for processing registration of leases, Assignments, Legal Charges and Tenancy Transfers	£215.25	£240.00	£24.75	11.50%
Landlords consent for any purposes (excluding assignments)	Simple consent for minor alterations such as replacing shop signs etc - £130	Simple consent for minor alterations such as replacing shop signs etc - £135	£5.00	3.85%
	For more complex matters, a standard fee of £510 to be applied (£1,000 if such is requested as an urgent turnaround).	For more complex matters, a standard fee of £530 to be applied (£1,025 if such is requested as an urgent turnaround).	£20.00	3.92%
	Any matter requiring engagement of specialist practitioners to be subject to a negotiated fee.	Any matter requiring engagement of specialist practitioners to be subject to a negotiated fee.		
	Retrospective applications for any purpose will be subject to the payment of 2 x the applicable fee for such consent.	Retrospective applications for any purpose will be subject to the payment of 2 x the applicable fee for such consent.		
<b>Birmingham Property Services</b>				
Service Charges	Commercial property portfolio– variable fixed fee equivalent to 7.5% of expenditure or better.	Commercial property portfolio– variable fixed fee equivalent to 10% of expenditure or better.		
<b>Central Administration Buildings (CAB)</b>				
<b>CAB Accommodation - Room Hire</b>				
<b>Council House Room Booking:</b>				
<b>Facility/Resource</b>				
<b>Council Chamber</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Monday - Friday 09:00 - 17:30	£378.00	£420.00	£42.00	11.11%
Monday - Friday Up to 4 hours (am or pm)	£257.25	£280.00	£22.75	8.84%
Monday - Friday after 17:30 hours -	£357.00	£390.00	£33.00	9.24%
Weekends - At any time -	£451.50	£495.00	£43.50	9.63%
<b>Committee Rooms</b>				
1,2,3,4,6 & HMS Daring Room	£50.40	£55.00	£4.60	9.13%
Rooms 3 & 4 jointly	£68.25	£75.00	£6.75	9.89%
Saturday - up to 2 rooms	£68.25	£75.00	£6.75	9.89%
Saturday - 3 rooms & over	£162.75	£180.00	£17.25	10.60%
Sunday - up to 2 rooms per hour	£78.75	£90.00	£11.25	14.29%
Sunday - 3 rooms & over	£236.25	£260.00	£23.75	10.05%
<b>Equipment</b>				
<b>Laptop/projector</b>				
Up to 4 hours	£39.90	£45.00	£5.10	12.78%
Full Day	£60.90	£65.00	£4.10	6.73%
<b>Laptop &amp; Projector</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Up to 4 hours	£60.90	£65.00	£4.10	6.73%
Full Day	£89.25	£95.00	£5.75	6.44%
<b>Microphones- Council Chamber</b>				
Microphones- Council Chamber	£78.75	£120.00	£41.25	52.38%
NB: Additional charges are levied for the provision of security (Customer Support and Porter Security Officers)				
<b>Temporary Use of Smithfield Birmingham Development Land</b>				
Non-Public Event - per square metre, per annum	£30.00	£33.00	£3.00	10.00%
Small Event Daily Charge Base Rate. (NB. Various factors are considered in determining the final total charge including space for event including duration, status of event promoter and the social & economic benefit to citizens)	£960.00	£1,060.00	£100.00	10.42%
Medium Event Daily Charge Base Rate. (NB. Various factors are considered in determining the final total charge including space for event including duration, status of event promoter and the social & economic benefit to citizens)	£2,250.00	£2,475.00	£225.00	10.00%
Large Event Daily Charge Base Rate. (NB. Various factors are considered in determining the final total charge including space for event including duration, status of event promoter and the social & economic benefit to citizens)	£4,500.00	£4,950.00	£450.00	10.00%
<b>Planning</b>				
<b>Planning</b>				
Category A: Pre-application discussion for 250+ residential units or 25,000 sqm non-residential (including change of use) (excluding VAT). To include 2 meetings.	£16,626.75	£18,300.00	£1,673.25	10.06%
Category A: follow up meetings/discussions (charge per meeting) (excluding VAT)	£543.00	£600.00	£57.00	10.50%
Category B: Pre-application discussion for 100 - 249 residential units or 10,000 - 24,999 sqm non-residential (including change of use) (excluding VAT). To include 1 meeting.	£6,520.50	£7,175.00	£654.50	10.04%
Category B: follow up meetings/discussions (charge per meeting) (excluding VAT)	£543.00	£600.00	£57.00	10.50%
Category C: Pre-application discussion for 50-99 residential units or 5,000 - 9,999 sqm non-residential (including change of use) (excluding VAT). To include 1 meeting.	£3,325.35	£3,660.00	£334.65	10.06%
Category C: follow up meetings/discussions (charge per meeting) (excluding VAT)	£326.00	£360.00	£34.00	10.43%
Category D: Pre-application discussion for 25-49 residential units or 2,500-4,999 sqm non-residential (including change of use) (excluding VAT)	£2,216.55	£2,440.00	£223.45	10.08%
Category D: follow up meetings/discussions (charge per meeting) (excluding VAT)	£326.00	£360.00	£34.00	10.43%
Category E: Pre-application discussion for 10-24 residential units or 1,000 - 2,499 sqm non-residential (including change of use) (excluding VAT). To include 1 meeting.	£1,108.80	£1,220.00	£111.20	10.03%
Category E: follow up meetings (charge per meeting) (excluding VAT)	£217.35	£240.00	£22.65	10.42%
Category F: - Pre-application advice for 5- 10 residential units or 500- 1,000 sqm (including change of use) (excluding VAT) - Written advice only.	£543.90	£600.00	£56.10	10.31%
Category F: - charge if a meeting is requested (excluding VAT)	£325.50	£360.00	£34.50	10.60%
Category G: - Minor Operations: Pre-application advice for up to 5 residential units or up any other development up to 500 sqm (including change of use) (excluding VAT) - Written advice only.	£217.35	£240.00	£22.65	10.42%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Category G: - charge if a meeting is requested (excluding VAT)	£325.50	£360.00	£34.50	10.60%
Category H: - Householder: Pre-application advice to extend or alter a single domestic property, which is not a listed building and will apply to extensions / outbuildings to houses (single-family unit only or 1 flat if part of a conversion). (excluding VAT) - Written advice only.	£109.20	£120.00	£10.80	9.89%
Category H: - charge if a meeting is requested (excluding VAT)	£219.45	£240.00	£20.55	9.36%
Category I: Pre-application discussion with registered charities, educational and community organisations (excluding VAT)	As above, depending upon category of proposal	As above, depending upon category of proposal		
<b>Planning</b>				
Category J: - Changes of use and other development that does not include the erection of a building or extension such as laying out car parking, playing fields etc (excluding VAT)	£217.35	£240.00	£22.65	10.42%
Category J: - charge if a meeting is requested (excluding VAT)	£325.50	£360.00	£34.50	10.60%
Category K: - Amendments to a previously approved scheme – (if the amendments only affect a part of the development, then the fee relates only to that part) (excluding VAT)	as above, depending upon category of proposal (or part proposal)	as above, depending upon category of proposal (or part proposal)		
Category K: -charge if a meeting is requested – if the amendments only affect a part of the development then the fee relates only to that part) (excluding VAT)	as above, depending upon category of proposal (or part proposal)	as above, depending upon category of proposal (or part proposal)		
Category L: Preapplication meeting with Assistant Director for developers (per meeting)		£500.00	New for 2024	
Do I Need Planning Permission Enquiries (householder)	£42.00	£45.00	£3.00	7.14%
Do I Need Planning Permission Enquiries (nonhouseholder) (excluding VAT)	£109.20	£115.00	£5.80	5.31%
Invalid Applications - Small Scale (excluding VAT)	£32.55	£35.00	£2.45	7.53%
Invalid Applications - Medium Scale (excluding VAT)	£54.60	£60.00	£5.40	9.89%
Invalid Applications - Large Scale (excluding VAT)	£162.75	£170.00	£7.25	4.45%
Enquiry – have (some or all) planning conditions been discharged for a particular development? Written response only (excluding VAT)	£217.35	£240.00	£22.65	10.42%
Where a site visit is required, an additional charge is payable: (excluding VAT)	£325.50	£360.00	£34.50	10.60%
Enquiry – has the Enforcement Notice/BCN been complied with? (excluding VAT)	£217.35	£240.00	£22.65	10.42%
Where a site visit is required, an additional charge is payable: (excluding VAT)	£325.50	£360.00	£34.50	10.60%
Request agreed to remove of Enforcement Notice from the Register - (excluding VAT)	£420.00	£460.00	£40.00	9.52%
Admin fee where request not agreed	£109.20	£120.00	£10.80	9.89%
Request for documents that are available online.	£109.20	£120.00	£10.80	9.89%
General enquiries: - Conservation Area /Listed Building checks, HMO enquiries, what is the Permitted Use, opening hours, etc. Written response only (excluding VAT)	£109.20	£120.00	£10.80	9.89%
Section 106 Administration fee (minimum £2,000, maximum £13,000) based on value of S106	3.5%	5.00%		1.50%
<b>Clean Air Zone</b>				
<b>Specific Legislation Impacting on Charging</b>				
<b>Charges for Clean Air Zone (24 Hours, 365 Days Per Year)</b>				
Private Cars (Non-compliant) VAT Not Applicable	£8.00	£8.00	£0.00	0.00%
Taxis (Hackney Carriage, Non-compliant) VAT Not Applicable	£8.00	£8.00	£0.00	0.00%
Taxis (Private Hire, Non-compliant) VAT Not Applicable	£8.00	£8.00	£0.00	0.00%
Light Goods Vehicles (Non-compliant) VAT Not Applicable	£8.00	£8.00	£0.00	0.00%
Heavy Goods Vehicles (Non-compliant) VAT Not Applicable	£50.00	£50.00	£0.00	0.00%
Coaches (Non-compliant) VAT Not Applicable	£50.00	£50.00	£0.00	0.00%
Buses (Non-compliant) VAT Not Applicable	£50.00	£50.00	£0.00	0.00%
Section 278 Pre-Application advice minor Application – Up to 25 Housing units equivalent (covers 1 pre-application review and 1 number 1 hour meeting)	N/A	£1,500.00	New for 2024	
Section 278 Additional Pre-Application advice meetings if required (1 hour meeting) Charge Per Meeting Hour	£310.00	£320.00	£10.00	3.23%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Pre-Application Advice (per person per hour)	£120/£80 First Hour/Subsequent Hourly Rate	£120/£80 First Hour/Subsequent Hourly Rate		
Section 278 Application Pack Check Fee (covers 1 pre-application pack check for completeness and a second review only – subsequent submissions attract an additional repeat charge. Technical Reviews are not included at this stage)	£125.00	£150.00	£25.00	20.00%
Section 278 Combined Minimum Technical Approval / Inspection Fee for Schemes up to £15,000 construction cost. Note: Will include for 3 iterations of technical review. Thereafter further checks are charged at cost (£80/hour). Technical approval valid for 1 year, thereafter a new submission is required.	Quoted on individual basis	Quoted on individual basis		
Section 278 Combined Minimum Technical Approval / Inspection Fee For Schemes over £15,000 construction cost. Note: Includes for 3 iterations of technical review. Thereafter further checks are charged at cost (£80/hour). Technical approval valid for 1 year, thereafter a new submission is required.	£12,900.00	£13,287.00	£387.00	3.00%
Section 278 Combined Technical Approval and Site Inspection % Fee based on construction value, to be used where construction value exceeds £123,000. Note Includes for 3 iterations of technical review. Thereafter further checks are charged at cost (£80/hour). Technical approval valid for 1 year thereafter a new submission is required.	3.75%	10.50%		6.75%
Lighting Technical Approval Fees	£1,500.00	£1,750.00	£250.00	16.67%
Drainage (beyond standard highway minor drainage) Technical Approval Fees	Quoted on individual basis where required	Quoted on individual basis where required		
Section 278 Abortive Costs	Charged at £65/hour time booked to project code. Minimum Charge £1,020	Charged at £80/hour time booked to project code. Minimum Charge £1,020	£15/hour	23.00%
Section 278 Legal Fee	£1,020.00	£1,500.00	£480.00	47.06%
Section 278 Wayleave (Deed of Grant)	£525.00	£541.00	£16.00	3.05%
Section 278/Section 38 - Stage 4 Road Safety Audit	£1,423.00	£1,800.00	£377.00	26.49%
<b>New Developments</b>				
Section 38 Application Pack Check Fee (covers 1 pre-application pack check for completeness and a second review only – subsequent submissions attract an additional repeat charge. Technical Reviews are not included at this stage)	£125.00	£150.00	£25.00	20.00%
Section 38 Combined Minimum Technical Approval / Inspection Fee for Schemes up to £15,000 construction cost. Note: Will include for 3 iterations of technical review. Thereafter further checks are charged at cost (£80/hour). Technical approval valid for 1 year, thereafter a new submission is required. Construction costs to be calculated by BCC - typically based on £1,400.74/linear m of 5.5m wide carriageway and £195.30/linear m of 2m wide footway/path. Other widths calculated pro-rata.	Quoted on individual basis	Quoted on individual basis		
Section 38 Combined Minimum Technical Approval / Inspection Fee for Schemes over £15,000. Note: Includes for 3 iterations of technical review. Thereafter further checks are charged at cost (£80/hour). Technical approval valid for 1 year, thereafter a new submission is required. Construction costs to be calculated by BCC - typically based on £1,400.74/linear m of 5.5m wide carriageway and £195.30/linear m of 2m wide footway/path. Other widths calculated pro-rata.	£13,050.00	£14,355.00	£1,305.00	10.00%
Section 38 Combined Technical Approval and Site Inspection % Fee based on construction value, to be used where minimum value is exceeded. Note: Includes for 3 iterations of technical review. Thereafter further checks are charged at cost (£80/hour). Technical approval valid for 1 year, thereafter a new submission is required. Construction costs to be calculated by BCC - typically based on £1,400.74/linear m of 5.5m wide carriageway and £195.30/linear m of 2m wide footway/path. Other widths calculated pro-rata.	3.75%	10.50%		6.75%
Section 38 Agreement Inspection - Minimum charge	£5,271.00	£5,800.00	£529.00	10.04%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Lighting Technical Approval Fees	£1,500.00	£1,750.00	£250.00	16.67%
Drainage (beyond standard highway minor drainage) Technical Approval Fees	Quoted on individual basis where required	Quoted on individual basis where required		
Section 38 Legal Agreement Administration	£1,250.00	£1,500.00	£250.00	20.00%
Section 38 Agreement Deed of Variation	£468.00	£515.00	£47.00	10.04%
Section 220 Non-Adopted Developments - Combined Design Check / Supervision Fee (min) for whole project Construction costs up to £123,000	£13,050.00	£14,355.00	£1,305.00	10.00%
Section 220 Non-Adopted - Combined Technical Approval and site inspection % Fee based on construction value, to be used for whole project Construction costs over £123,000	3.75%	10.50%		6.75%
<b>City Operations</b>				
<b>Bereavement Services</b>				
<p>Exclusive Right of Burial - Earthen graves and walled graves/vaults have an Exclusive Right of Burial for a period of 75 years, with the option to renew such Rights on the terms then prevailing for a similar Grant. This fee also includes the right to place and maintain a memorial on the grave. Such rights to expire co-terminus with the Exclusive Right of Burial.</p>				
<b>1. Graves</b>				
<b>Adult - (aged 19 and over)</b>				
Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,270.00	£2,500.00	£230.00	10.13%
Non-Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,610.50	£3,250.00	£639.50	24.50%
Resident Fee - Standard grave (Lawn Type) with concrete header	£2,470.00	£2,700.00	£230.00	9.31%
Non-Resident Fee - Standard grave (Lawn Type) with concrete header	£2,840.50	£3,510.00	£669.50	23.57%
Resident Fee - Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£2,837.00	£3,100.00	£263.00	9.27%
Non-Resident Fee - Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£3,262.55	£4,030.00	£767.45	23.52%
Resident Fee - As above with concrete header – (Lawn type graves only)	£3,090.00	£3,400.00	£310.00	10.03%
Non-Resident Fee -As above with concrete header – (Lawn type graves only)	£3,553.50	£4,420.00	£866.50	24.38%
<b>Child (aged 18 years or below)</b>				
Resident Fee - An ERB where the only burial required is for a child aged 18 years or younger.	£1,233.00	£1,295.00	£62.00	5.03%
Non-Resident Fee - An ERB where the only burial required is for a child aged 18 years or younger.	£1,418.00	£1,700.00	£282.00	19.89%
<b>Cremated Remains</b>				
Resident Fee - Earthen grave for cremation ashes (for two caskets)	£668.00	£800.00	£132.00	19.76%
Non-Resident Fee - Earthen grave for cremation ashes (for two caskets)	£768.20	£1,040.00	£271.80	35.38%
Resident Fee - Earthen grave for cremation ashes (four caskets) with Concrete Header	£1,100.00	£1,300.00	£200.00	18.18%
Non-Resident Fee - Earthen grave for cremation ashes (four caskets) with Concrete Header	£1,265.00	£1,690.00	£425.00	33.60%
Resident Fee - Earthen grave for cremation ashes with Concrete Header to accept two caskets of remains	£883.00	£1,000.00	£117.00	13.25%
Non-Resident Fee - Earthen grave for cremation ashes with Concrete Header to accept two caskets of remains	£1,015.45	£1,300.00	£284.55	28.02%
<b>2. Vaults</b>				
Resident Fee - Mini cremated remains vault	Price on Application	Price on Application		
Non-Resident Fee - Mini cremated remains vault	Price on Application	Price on Application		
Resident Fee - Other vaulted graves	Price on Application	Price on Application		
Non-Resident Fee - Other vaulted graves	Price on Application	Price on Application		
<b>3. Woodland Burials</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£1,970.00	£2,069.00	£99.00	5.03%
Non-Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,265.50	£2,379.00	£113.50	5.01%
Resident Fee - Standard grave WITH TREE (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,318.00	£2,434.00	£116.00	5.00%
Non-Resident Fee - Standard grave WITH TREE (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,665.70	£2,799.00	£133.30	5.00%
<b>4. Reservation</b>				
Resident Fee - Grave Reservation Fee to be paid in addition to the Exclusive Right of Burial Fee relevant at the time of reservation. Applies to all full-sized graves purchased in reserve.	£250.00	£300.00	£50.00	20.00%
Non-Resident Fee - Grave Reservation Fee to be paid in addition to the Exclusive Right of Burial Fee relevant at the time of reservation. Applies to all full-sized graves purchased in reserve.	£287.50	£390.00	£102.50	35.65%
<b>INTERMENTS</b> (Maximum 1 hour appointment allocation per booking - ½ hour for items 7a - 7c). N.B. Maximum coffin width in a standard grave is 30" in width including a re-opened or pre-purchased grave.				
<b>5. Graves (including public graves)</b>				
Resident fee - Interment of a person aged 19 years or over for single depth or second interment in double depth grave	£1,065.00	£1,200.00	£135.00	12.68%
Non-Resident fee - Interment of a person aged 19 years or over	£1,065.00	£1,200.00	£135.00	12.68%
Resident fee - Interment of a person aged 19 years or over - first burial in double depth grave)		£1,300.00	New for 2024	
Non-Resident fee - Interment of a person aged 19 years or over - first burial in double depth grave)		£1,300.00	New for 2024	
Resident Fee - Interment of a still born child (Includes non-viable foetal remains) or a child aged 18 years or below	£156.00	£164.00	£8.00	5.13%
Non-Resident Fee - Interment of a still born child (Includes non-viable foetal remains) or a child aged 18 years or below	£156.00	£164.00	£8.00	5.13%
Resident Fee - Organs, other body parts and tissue of a deceased person where deceased was aged 19 or above	£303.00	£318.00	£15.00	4.95%
Non-Resident Fee - Organs, other body parts and tissue of a deceased person where deceased was aged 19 or above	£303.00	£318.00	£15.00	4.95%
<b>6. Walled graves or vaults</b>				
Resident Fee - Interment of a still born child (Includes non-viable foetal remains) or a child aged 18 years or younger	£156.00	£164.00	£8.00	5.13%
Non-Resident Fee - Interment of a still born child (Includes non-viable foetal remains) or a child aged 18 years or younger	£156.00	£164.00	£8.00	5.13%
Resident Fee - Interment of a person aged 19 years or over	£1,065.00	£1,200.00	£135.00	12.68%
Non-Resident Fee - Interment of a person aged 19 years or over (exception applies, see below)	£1,065.00	£1,200.00	£135.00	12.68%
Other interment fees will apply for non-standard graves				
<b>7. Cremated Remains</b>				
Resident Fee - Interment of Cremated Remains in a grave or vault	£303.00	£400.00	£97.00	32.01%
Non-Resident Fee - Interment of Cremated Remains in a grave or vault	£303.00	£400.00	£97.00	32.01%
Resident Fee - Interment of cremated remains of a child aged 18 years or below	£158.00	£166.00	£8.00	5.06%
Non-Resident Fee - Interment of cremated remains of a child aged 18 years or below	£158.00	£166.00	£8.00	5.06%
Resident Fee - Where two interments take place at the same time an additional registration fee will be charged in place of the second interment fee. This applies to fees 5a - 7a	£177.00	£200.00	£23.00	12.99%
Non-Resident Fee - Where two interments take place at the same time an additional registration fee will be charged in place of the second interment fee. This applies to fees 5a - 7a	£177.00	£200.00	£23.00	12.99%
<b>8. Other</b>				
Interment of the Quran pages by appointment at Handsworth Cemetery only	Price on Application	Price on Application		
<b>9. Scattering of cremated remains</b>				
Resident Fee - Scattering of cremated remains on a grave when cremation did not take place at a Birmingham City Council Crematorium. The fee to witness scattering of cremated remains included	£105.00	£110.00	£5.00	4.76%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Non-Resident Fee - Scattering of cremated remains on a grave when cremation did not take place at a Birmingham City Council Crematorium. The fee to witness scattering of cremated remains included	£105.00	£110.00	£5.00	4.76%
Resident Fee -Witness scattering of cremated remains on a grave when cremation took place at a Birmingham City Council Crematorium. Where multiple scatterings take place on the same grave at the same time, this fee will only be applied once.	£48.00	£55.00	£7.00	14.58%
Non-Resident Fee -Witness scattering of cremated remains on a grave when cremation took place at a Birmingham City Council Crematorium. Where multiple scatterings take place on the same grave at the same time, this fee will only be applied once.	£48.00	£55.00	£7.00	14.58%
<b>10. Walled graves</b>				
Resident fee - Cost of construction of walled grave, where available.	Price on Application	Price on Application		
Non-Resident fee - Cost of construction of walled grave, where available.	Price on Application	Price on Application		
<b>11. Concrete liners (Supply in additional to ERB and interment fee.)</b>				
Cost of a concrete liner for a standard sized grave	£1,300.00	£1,365.00	£65.00	5.00%
Cost of a concrete liner for a child's sized grave	£626.00	£657.00	£31.00	4.95%
Memorials and Inscriptions (As defined within the Rules and Regulations in Respect of the Municipal Cemeteries).				
<b>12. Inscription</b>				
Resident Fee - Application for an additional inscription on grave memorial (N.B. The first name on memorial is FOC). Up to two names may be included on one application for this fee.	£68.00	£75.00	£7.00	10.29%
Non-Resident Fee - Application for an additional inscription on grave memorial (N.B. The first name on memorial is FOC). Up to two names may be included on one application for this fee.	£68.00	£75.00	£7.00	10.29%
Resident Fee - Additional inscriptions on various other memorials	Price on Application	Price on Application		
Non-Resident Fee - Additional inscriptions on various other memorials	Price on Application	Price on Application		
<b>13. Transfer Fee</b>				
Resident Fee - Transfer of ownership and subsequent registering of an existing Exclusive Right of Burial where the owner of the Exclusive Right of Burial is deceased and a burial is to take place, also transfer of ownership and subsequent registering of an Exclusive Right of Burial where transfer to a resident of Birmingham.	£71.00	£75.00	£4.00	5.63%
Non-Resident - WHERE THE TRANSFER OF A RESERVED GRAVE IS TO A NON-RESIDENT THEN AN ADDITIONAL 30% OF THE ORIGINAL EXCLUSIVE RIGHT OF BURIAL FEE WILL BE APPLIED TO THE TRANSFER FEE	Price on application	Price on application		
<b>14.Repurchase of Exclusive Right of Burial</b>				
Preparation of Repurchase of Exclusive Right of Burial Agreement.	£71.00	£75.00	£4.00	5.63%
<b>ADDITIONAL CHARGES</b>				
<b>15. Service</b>				
Resident Fee - Where a burial service takes longer than 1.15 hours from the appointed service time an additional fee will be applied – Charge will be applied for each half hour over and above the 1.15 hours.	£263.00	£280.00	£17.00	6.46%
Non-Resident Fee - Where a burial service takes longer than 1.15 hours from the appointed service time an additional fee will be applied – Charge will be applied for each half hour over and above the 1.15 hours.	£263.00	£280.00	£17.00	6.46%
Resident Fee - Where the service for an interment of cremated remains or an interment of a child aged 18 or below takes longer than 30 minutes from the appointed service time an additional fee will be applied.	£76.00	£80.00	£4.00	5.26%
Non-Resident Fee - Where the service for an interment of cremated remains or an interment of a child aged 18 or below takes longer than 30 minutes from the appointed service time an additional fee will be applied.	£76.00	£80.00	£4.00	5.26%
<b>16. Cancellation</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Resident Fee - Late cancellation of funeral booking (after 10.00 hours on the working day prior to the funeral)	£258.00	£275.00	£17.00	6.59%
Non-Resident Fee - Late cancellation of funeral booking (after 10.00 hours on the working day prior to the funeral)	£258.00	£275.00	£17.00	6.59%
Resident Fee - Late cancellation / Non-attendance for booking of cremated remains interment (after 10.00 hours on the working day prior to the funeral)	£53.00	£60.00	£7.00	13.21%
Non-Resident Fee - Late cancellation / Non attendance for booking of cremated remains interment (after 10.00 hours on the working day prior to the funeral)	£53.00	£60.00	£7.00	13.21%
Resident Fee - Late cancellation / Nonattendance for booking of scattering of cremated remains.	£21.00	£25.00	£4.00	19.05%
Non-Resident Fee - Late cancellation / Nonattendance for booking of scattering of cremated remains.	£21.00	£25.00	£4.00	19.05%
<b>17. Chapel</b>				
Resident Fee - Use of Handsworth cemetery chapel including use of organ and, if required, provision of recorded music.	£303.00	£320.00	£17.00	5.61%
Non-Resident Fee - Use of Handsworth cemetery chapel including use of organ and, if required, provision of recorded music.	£303.00	£320.00	£17.00	5.61%
<b>18. Other</b>				
Resident Fee - Additional work required on a grave where incorrect information was supplied on the notice of interment.	£121.00	£130.00	£9.00	7.44%
Non-Resident Fee - Additional work required on a grave where incorrect information was supplied on the notice of interment.	£121.00	£130.00	£9.00	7.44%
Resident Fee - Reprint of Deed due to incorrect information being supplied on the notice of interment and amendment of Statutory Registers.	£71.00	£75.00	£4.00	5.63%
Non-Resident Fee - Reprint of Deed due to incorrect information being supplied on the notice of interment and amendment of Statutory Registers.	£71.00	£75.00	£4.00	5.63%
CREMATION FEES - The fees detailed below include the use of the chapel, scattering of cremated remains in the Garden of Remembrance, Medical Referee's and (if required) use of organ and/or provision of recorded/Wesley music.				
Webcasting, personal tributes and recordings of services available at additional cost – POA				
<b>1. Cremation</b>				
Person aged 19 years or above. The cremation fee includes an environmental charge of £56.00	£833.00	£895.00	£62.00	7.44%
Direct Cremation (08:30 appointment) Person aged 19 years or above. The cremation fee includes an environmental charge.	£580.00	£620.00	£40.00	6.90%
Where a cremation service takes place for two adults. The cremation fee includes an environmental charge	£1,263.00	£1,470.00	£207.00	16.39%
Stillborn child, including non-viable foetal remains, or a child aged 18 years or below.	£143.00	£150.00	£7.00	4.90%
Organs, other body parts and tissue of a deceased person where the deceased was aged 19 or above.	£145.00	£150.00	£5.00	3.45%
Duplicate of Certificate of Cremation	£15.00	£16.00	£1.00	6.67%
<b>2. Chapel</b>				
Additional use of the crematorium chapel by appointment – Annexed to a cremation appointment only.	£303.00	£320.00	£17.00	5.61%
Use of crematorium chapel for burial or memorial service	£404.00	£450.00	£46.00	11.39%
<b>3. Late</b>				
Where the funeral exceeds the allotted service time slot, the additional fee will be applied.	£424.00	£450.00	£26.00	6.13%
For funerals that arrive/commence more than 1 hour late, in addition to previous fees.	£505.00	£550.00	£45.00	8.91%
Late cancellation of a funeral booking (after 10.00 hours on the working day prior to the funeral).	£300.00	£320.00	£20.00	6.67%
<b>4. Cremated remains</b>				
Temporary deposit of cremated remains pending arrangements for disposal, per month. (Charge applied after the first month)	£72.00	£75.00	£3.00	4.17%
Witness scattering of cremated remains in the garden of remembrance where cremation takes place at a Birmingham City Council Crematorium	£54.00	£55.00	£1.00	1.85%
Scattering of cremated remains in the Garden of Remembrance when cremation took place at any other crematorium	£108.00	£115.00	£7.00	6.48%
<b>Private Rented Sector</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Property Licensing - Mandatory large House in Multiple Occupation (cost recovery only)</b>				
Part A - application fee 5 persons	£420.00	£420.00	£0.00	0.00%
Part A - application fee 6-11 persons	£470.00	£470.00	£0.00	0.00%
Part A - application fee 12+ persons	£515.00	£515.00	£0.00	0.00%
Part B - licence fee 5 persons	£705.00	£705.00	£0.00	0.00%
Part B - licence fee 6-11 persons	£745.00	£745.00	£0.00	0.00%
Part B - licence fee 12+ persons	£785.00	£785.00	£0.00	0.00%
<b>Fees for optional HMO services 2022 to 2023</b>				
Fee Paper application to send	£20.00	£20.00	£0.00	0.00%
Paper application to process	£65.00	£65.00	£0.00	0.00%
Advice visit	£200.00	£200.00	£0.00	0.00%
<b>Property Licensing - Additional smaller House in Multiple Occupation (cost recovery only)</b>				
Part A - application fee	£325.00	£325.00	£0.00	0.00%
Part B - licence fee	£430.00	£430.00	£0.00	0.00%
<b>Property Licensing - Selective licence (cost recovery only)</b>				
Part A - application fee	£375.00	£375.00	£0.00	0.00%
Part B - licence fee	£325.00	£325.00	£0.00	0.00%
<b>Domestic Pest Control</b>				
Rats – all domestic treatments (inclusive of VAT)	£0.00	£24.00	New for 2024	New for 2024
<b>Parks</b>				
<b>Individual Use of Facilities</b>				
<b>Bowls</b>				
Adult	£7.25	£7.50	£0.25	3.45%
Juniors/Concessions	£4.00	£4.00	£0.00	0.00%
Season Ticket (Standard).	£97.00	£100.00	£3.00	3.09%
Team Match	£76.50	£79.00	£2.50	3.27%
<b>Fishing</b>				
Day Ticket - Adult	£14.25	£15.00	£0.75	5.26%
Juniors/Concessions	£6.50	£6.50	£0.00	0.00%
<b>Fishing Season Ticket: -</b>				
All park sites	£110.00	£113.00	£3.00	2.73%
<b>Redgra Pitches (Inclusive of lights)</b>				
<b>Without changing facilities:</b>				
Adult	£72.00	£74.00	£2.00	2.78%
Junior	£36.00	£37.00	£1.00	2.78%
<b>With changing facilities:</b>				
Adult	£112.00	£115.00	£3.00	2.68%
Junior	£66.00	£68.00	£2.00	3.03%
<b>Birmingham Wildlife Conservation Park Admission Charges</b>				
Adults	£7.65	£8.40	£0.75	9.80%
Adults accompanying a child under 3 years	£7.65	£8.40	£0.75	9.80%
Senior Citizens, Students	£5.80	£6.40	£0.60	10.34%
Child aged 3 to 15 years inclusive	£3.80	£4.20	£0.40	10.53%
Children under 3	Free	Free		

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Family Day Ticket: (2 adults plus maximum of 3 children aged 3 - 15 years)	£25.00	£27.50	£2.50	10.00%
Family Day Ticket: (1 adult + 3 child aged 3 - 15 years)	£18.00	£19.80	£1.80	10.00%
Family Season Ticket: (2 adults plus maximum number of 3 children aged 3 - 15 y	£90.00	£99.00	£9.00	10.00%
Single Adult Season Ticket: (1 adult plus maximum number of 3 children aged 3- 1	£64.00	£70.40	£6.40	10.00%
Concessionary Season Ticket: (Senior Citizens)	£55.00	£60.50	£5.50	10.00%
Family Season Ticket Incl. Car Parking (2 adults plus maximum number of 3 children	£132.00	£145.20	£13.20	10.00%
Single Adult Season Ticket Incl. Car Parking (1 adult plus maximum number of 3 c	£93.00	£102.30	£9.30	10.00%
Concessionary Season Ticket Incl. Car Parking (Senior Citizens)	£81.00	£89.10	£8.10	10.00%
<b>Parks - Events</b>				
<b>Use of Parks (Events)</b>				
Community use including friends' groups and volunteers = subject to negotiation	Subject to negotiation	Subject to negotiation		
<b>Cannon Hill &amp; Sutton Park</b>				
<b>Small Events (attendance up to 499)</b>				
Commercial - operational days	Subject to negotiation	£2,400.00		
Commercial - set-up/dismantling days	Subject to negotiation	£1,200.00		
Non-commercial (incl. charities) - operational days	Subject to negotiation	£623.00		
Non-commercial (incl. charities) - set-up/dismantling days	Subject to negotiation	£314.00		
<b>Major Events (attendance 500 or more)</b>				
Commercial - operational days	Subject to negotiation	£5,000.00		
Commercial - set-up/dismantling days	Subject to negotiation	£2,500.00		
Non-commercial (incl. charities) - operational days	Subject to negotiation	£1,246.00		
Non-commercial (inc charities) - set-up/dismantling days	Subject to negotiation	£623.00		
<b>Eastside Park, Handsworth Park, Kings Heath Park, Lickey Hills (including Cofton and Perry Parks for major concerts &amp; events with attendances above 20,000)</b>				
<b>Small Events (attendance up to 499)</b>				
Commercial - operational days	£2,205.00	£2,271.00	£66.00	2.99%
Commercial - set-up/dismantling days	£1,100.00	£1,133.00	£33.00	3.00%
Non-commercial (incl. charities) - operational days	£605.00	£623.00	£18.00	2.98%
Non-commercial (incl. charities) - set-up/dismantling days	£305.00	£314.00	£9.00	2.95%
<b>Major Events (attendance 500 or more)</b>				
Commercial - operational days	£4,400.00	£4,532.00	£132.00	3.00%
Commercial - set-up/dismantling days	£2,200.00	£2,266.00	£66.00	3.00%
Non-commercial (incl. charities) - operational days	£1,210.00	£1,246.00	£36.00	2.98%
Non-commercial (incl. charities) - set-up/dismantling days	£605.00	£623.00	£18.00	2.98%
<b>All Other Sites (all sites)</b>				
<b>Small Events (attendance up to 499)</b>				
Commercial - operational days	£580.00	£597.00	£17.00	2.93%
Commercial - set-up/dismantling days	£290.00	£299.00	£9.00	3.10%
Non-commercial (incl. charities) - operational days	£180.00	£185.00	£5.00	2.78%
Non-commercial (incl. charities) - set-up/dismantling days	£90.00	£93.00	£3.00	3.33%
<b>Major Events (attendance 500 or more)</b>				
Commercial - operational days	£1,160.00	£1,195.00	£35.00	3.02%
Commercial - set-up/dismantling days	£580.00	£597.00	£17.00	2.93%
Non-commercial (incl. charities) - operational days	£360.00	£371.00	£11.00	3.06%
Non-commercial (incl. charities) - set-up/dismantling days	£180.00	£185.00	£5.00	2.78%
<b>Wedding photographs and recordings</b>				
Commercial	£405.00	£417.00	£12.00	2.96%
Non commercial	£92.00	£95.00	£3.00	3.26%
Organised Group Activities E.g. Boot Camp, Forest Schools etc. = a minimum of 12% of gross income	£36.00	£37.00	£1.00	2.78%
<b>Filming in Parks</b>				
<b>Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills &amp; Sutton Park</b>				
Up to 1 hour & Students	£122.00	£126.00	£4.00	3.28%
Filming with minimal handheld equipment - maximum 4 Hours	£310.00	£319.00	£9.00	2.90%
Filming with minimal handheld equipment - per day	£500.00	£515.00	£15.00	3.00%
Filming with vehicles and crew - maximum 4 hours	£500.00	£515.00	£15.00	3.00%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Filming with vehicles and crew - per day	£1,000.00	£1,000.00	£0.00	0.00%
<b>All Other Sites</b>				
Up to 1 hour & Students	£91.00	£94.00	£3.00	3.30%
Filming with minimal handheld equipment - maximum 4 Hours	£182.50	£188.00	£5.50	3.01%
Filming with minimal handheld equipment - per day	£367.50	£379.00	£11.50	3.13%
Filming with vehicles and crew - maximum 4 hours	£367.50	£379.00	£11.50	3.13%
Filming with vehicles and crew - per day	£877.00	£903.00	£26.00	2.96%
Season Ticket - maximum of 15 hires	£4,010.00	£4,130.00	£120.00	2.99%
Season Ticket - maximum of 30 hires	£8,000.00	£8,240.00	£240.00	3.00%
<b>Car Parking</b>				
Cannon Hill Park, up to 2 hours	£2.00	£2.20	£0.20	10.00%
Cannon Hill Park, 2 to 4 hours	£3.00	£3.30	£0.30	10.00%
Cannon Hill Park, 4 - 16 1/2 hours	£4.50	£5.00	£0.50	11.11%
Cannon Hill Park - per coach	£22.50	£25.00	£2.50	11.11%
<b>Parks room hire facilities</b>				
Community Room (30 people)	£36.00	£37.00	£1.00	2.78%
Annual charge - minimum fee subject to hire agreement	£3,000.00	£3,090.00	£90.00	3.00%
Charge per teaching area per games session (Senior Citizens)	£73.00	£75.00	£2.00	2.74%
<b>School Hire</b>				
Attendance up to and including 499	£183.50	£189.00	£5.50	3.00%
Attendance above 500	£370.00	£381.00	£11.00	2.97%
<b>Parks ranger service - educational sessions (including schools)</b>				
Group - max 30	£195.00	£201.00	£6.00	3.08%
Group - max 30	£320.00	£330.00	£10.00	3.13%
Community Group talks or guided walks	£80.00	£82.00	£2.00	2.50%
Equipment hire	£37.00	£38.00	£1.00	2.70%
<b>Funfairs in Parks</b>				
<b>Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills &amp; Sutton Park</b>				
Up to 5 Adult Rides	£750.00	£773.00	£23.00	3.07%
6 Adult Rides	£830.00	£855.00	£25.00	3.01%
7 Adult Rides	£940.00	£968.00	£28.00	2.98%
8 Adult Rides	£1,085.00	£1,118.00	£33.00	3.04%
Up to 9 Adult Rides	£1,210.00	£1,246.00	£36.00	2.98%
<b>All Other Sites</b>				
Up to 5 Adult Rides	£460.00	£474.00	£14.00	3.04%
6 Adult Rides	£490.00	£505.00	£15.00	3.06%
7 Adult Rides	£575.00	£592.00	£17.00	2.96%
8 Adult Rides	£665.00	£685.00	£20.00	3.01%
Up to 9 Adult Rides	£740.00	£762.00	£22.00	2.97%
<b>Football</b>				
<b>FOOTBALL - Saturday</b>				
<b>Charge per match</b>				
Senior Match & changing facilities	£94.50	£97.50	£3.00	3.17%
Junior Match & changing facilities	£41.00	£42.00	£1.00	2.44%
Small Sided Match & changing facilities	£22.50	£23.00	£0.50	2.22%
Senior Match no changing facilities	£47.00	£48.50	£1.50	3.19%
Junior Match no changing facilities	£30.00	£31.00	£1.00	3.33%
Small Sided Match & no changing facilities	£16.50	£17.00	£0.50	3.03%
<b>Seasonal Licence* with facilities</b>				
Senior	£2,090.00	£2,153.00	£63.00	3.01%
Junior	£908.00	£935.00	£27.00	2.97%
Small Sided Match & changing facilities	£515.00	£530.00	£15.00	2.91%
<b>Seasonal Licence* without facilities</b>				
Senior	£893.00	£920.00	£27.00	3.02%
Junior	£434.00	£447.00	£13.00	3.00%
Small Sided Match & no changing facilities	£213.00	£219.00	£6.00	2.82%
<b>FOOTBALL - Sunday (AM = game finishes up to &amp; including 11.59am; PM = game starts from 12 noon onwards)</b>				
<b>Charge per match</b>				
Senior Match & changing facilities - PM	£117.50	£121.00	£3.50	2.98%
Senior Match and changing Faculties - AM	£136.50	£141.00	£4.50	3.30%
Junior Match & changing facilities	£53.00	£54.50	£1.50	2.83%
Small Sided Match & changing facilities	£28.00	£28.50	£0.50	1.79%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Senior Match no changing facilities - PM	£59.00	£61.00	£2.00	3.39%
Senior Match no changing facilities - AM	£74.00	£76.00	£2.00	2.70%
Junior Match no changing facilities	£29.00	£30.00	£1.00	3.45%
Small Sided Match & no changing facilities	£17.00	£17.50	£0.50	2.94%
<b>Seasonal Licences*</b>				
Senior Match & changing facilities - PM	£2,330.00	£2,400.00	£70.00	3.00%
Senior Match and changing Facilities - AM	£2,780.00	£2,863.00	£83.00	2.99%
Junior Match & changing facilities	£1,346.00	£1,386.00	£40.00	2.97%
Small Sided Match & changing facilities	£658.00	£678.00	£20.00	3.04%
Senior Match no changing facilities - PM	£1,357.00	£1,398.00	£41.00	3.02%
Senior Match no changing facilities - AM	£1,627.00	£1,676.00	£49.00	3.01%
Junior Match no changing facilities	£821.00	£846.00	£25.00	3.05%
Small Sided Match & no changing facilities	£408.00	£420.00	£12.00	2.94%
<b>Rugby</b>				
<b>RUGBY - Saturday - charge per match</b>				
Senior Match & changing facilities	£87.00	£90.00	£3.00	3.45%
Junior Match & changing facilities	£42.00	£43.50	£1.50	3.57%
Senior Match no changing facilities	£36.00	£37.00	£1.00	2.78%
Junior Match no changing facilities	£30.00	£31.00	£1.00	3.33%
<b>Seasonal Licence* with facilities</b>				
Senior	£2,025.00	£2,086.00	£61.00	3.01%
Junior	£1,010.00	£1,040.00	£30.00	2.97%
<b>Seasonal Licence* without facilities</b>				
Senior	£938.00	£966.00	£28.00	2.99%
Junior	£469.00	£483.00	£14.00	2.99%
<b>TRAINING SESSIONS WITH FLOODLIGHTS - charge per session</b>				
Midweek with facilities per session	£94.00	£97.00	£3.00	3.19%
Midweek without facilities per session	£61.50	£63.50	£2.00	3.25%
<b>RUGBY - Sunday - charge per match</b>				
Senior Match & changing facilities	£103.00	£106.00	£3.00	2.91%
Junior Match & changing facilities	£51.00	£52.50	£1.50	2.94%
Senior Match no changing facilities	£50.00	£51.50	£1.50	3.00%
Junior Match no changing facilities	£30.00	£31.00	£1.00	3.33%
<b>Seasonal Licence* with facilities</b>				
Senior	£2,628.00	£2,707.00	£79.00	3.01%
Junior	£1,305.00	£1,344.00	£39.00	2.99%
<b>Seasonal Licence* without facilities</b>				
Senior	£1,486.00	£1,531.00	£45.00	3.03%
Junior	£721.00	£743.00	£22.00	3.05%
<b>Cricket</b>				
<b>CRICKET - Evening &amp; Sat</b>				
<b>charging per match</b>				
Senior Match & changing facilities	£69.00	£71.00	£2.00	2.90%
Junior Match & changing facilities	£37.50	£38.50	£1.00	2.67%
Senior Match no changing facilities	£41.00	£42.00	£1.00	2.44%
Junior Match no changing facilities	£25.00	£26.00	£1.00	4.00%
Practice Nets - Per session (Half Day)	£26.00	£27.00	£1.00	3.85%
Seasonal License Grade 1 Facilities (Handsworth Park only)	£1,340.00	£1,380.00	£40.00	2.99%
<b>Seasonal Licence* with facilities</b>				
Senior	£849.00	£874.00	£25.00	2.94%
Junior	£460.50	£474.00	£13.50	2.93%
<b>Seasonal Licence* without facilities</b>				
Senior	£513.00	£528.00	£15.00	2.92%
Junior	£271.50	£280.00	£8.50	3.13%
<b>CRICKET - Sunday</b>				
<b>Charging per match</b>				
Senior Match changing facilities	£88.50	£91.00	£2.50	2.82%
Junior Match & changing facilities	£49.50	£51.00	£1.50	3.03%
Senior Match no changing facilities	£55.50	£57.00	£1.50	2.70%
Junior Match no changing facilities	£30.00	£31.00	£1.00	3.33%
Practice Nets - Per session (Half Day)	£28.00	£29.00	£1.00	3.57%
Seasonal License Grade 1 Facilities (Handsworth Park only)	£1,776.00	£1,829.00	£53.00	2.98%
<b>Seasonal Licence* with facilities</b>				
Senior	£1,121.00	£1,155.00	£34.00	3.03%
Junior	£596.00	£614.00	£18.00	3.02%
<b>Seasonal Licence* without facilities</b>				
Senior	£728.00	£750.00	£22.00	3.02%
Junior	£378.00	£389.00	£11.00	2.91%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Artificial Wicket Hire (no changing facilities) - Seasonal Licence	£110.50	£114.00	£3.50	3.17%
Artificial Wicket Hire (no changing facilities) - per match	£41.00	£42.00	£1.00	2.44%
<b>Parks Fees</b>				
<b>Premiere Parks Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills &amp; Sutton Park</b>				
Up to 1 hour & Students	£122.40	£126.00	£3.60	2.94%
Filming with minimal equipment (handheld) max 4 hours	£311.10	£320.00	£8.90	2.86%
Filming with minimal equipment (handheld) per day	£499.80	£515.00	£15.20	3.04%
Filming with vehicles and crew max 4 hours	£499.80	£515.00	£15.20	3.04%
Filming with vehicles and crew per day	£999.60	£1,030.00	£30.40	3.04%
<b>All other Parks</b>				
Up to 1 hour & Students	£90.80	£93.50	£2.70	2.97%
Filming with minimal equipment (handheld) max 4 hours	£182.10	£188.00	£5.90	3.24%
Filming with minimal equipment (handheld) per day	£367.80	£379.00	£11.20	3.05%
Filming with vehicles and crew max 4 hours	£367.80	£379.00	£11.20	3.05%
Filming with vehicles and crew per day	£877.20	£904.00	£26.80	3.06%
<b>Garden and Bulky Waste</b>				
Garden Waste (Annual)	£50.00	£60.00	£10.00	20.00%
Bulky Waste (Per collection)	£35.70	£45.00	£9.30	26.05%
<b>Trade Waste Collection</b>				
Sacks (Annual Contract)	Price on Request	Price on Request		
Sacks (Quarterly Contract)	Price on Request	Price on Request		
Sacks Prepaid	Price on Request	Price on Request		
Sacks City Centre	Price on Request	Price on Request		
Wheeled Bins (240 litres)	Price on Request	Price on Request		
Wheeled Bins (360 litres)	Price on Request	Price on Request		
Wheeled Bins (660 litres – 50kg net)	Price on Request	Price on Request		
Wheeled Bins (660 litres – 80kg net)	Price on Request	Price on Request		
Continental Containers (1100 litres – 150kg net)	Price on Request	Price on Request		
Continental Containers (1100 litres – 180kg net)	Price on Request	Price on Request		
Continental Containers (1280 litres)	Price on Request	Price on Request		
Paladins (0.96m³ containers)	Price on Request	Price on Request		
Powell Duffryn	Price on Request	Price on Request		
<b>Skips/Mechanical Sweeper</b>				
Skips by Individual Load (6.12 m³)	Price on Request	Price on Request		
Skips by Individual Load (10.70 m³)	Price on Request	Price on Request		
Front Loading (9.18 m³)	Price on Request	Price on Request		
Skips using Rear End Loading Vehicle (6.12 m³)	Price on Request	Price on Request		
Skips using Rear End Loading Vehicle (10.70 m³)	Price on Request	Price on Request		
Roll on and off (Price will be dependent on type of material collected/disposed)	Price on Request	Price on Request		
Minimum charge for one hour	Price on Request	Price on Request		
Minimum charge for half hour	Price on Request	Price on Request		
Issue of Duty of Care Certificate (Annual Season Ticket)	Price on Request	Price on Request		
Reconnection charge - The reconnection fee is to cover costs relating to non-payment of invoices which result in cancellation and subsequent reconnection of services.	Price on Request	Price on Request		

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Hire of Mechanical Sweeping Vehicle and Driver</b>				
Minimum charge for one hour	Price on Request	Price on Request		
Emptying of cesspools (per visit)	Price on Request	Price on Request		
Commercial clinical waste collection: Sacks	Price on Request	Price on Request		
Commercial Clinical waste box (4 litres)	Price on Request	Price on Request		
Commercial Clinical waste box (30 litres)	Price on Request	Price on Request		
Clinical Waste Three Part Consignment Note	Price on Request	Price on Request		
<b>Trade Waste Collection</b>				
Prepaid Cardboard Recycling Tape - 50m Roll	Price on Request	Price on Request		
240 litre Recycling Container Paper & Cardboard	Price on Request	Price on Request		
240 litre Recycling Container Mixed Multi	Price on Request	Price on Request		
360 litre Recycling Container Paper & Cardboard	Price on Request	Price on Request		
360 litre Recycling Container Mixed Multi	Price on Request	Price on Request		
660 litre Recycling Container Paper and Cardboard	Price on Request	Price on Request		
660 litre Recycling Container Mixed Multi	Price on Request	Price on Request		
1100 Glass Recycling	Price on Request	Price on Request		
<b>Trade Waste Street Cleaning Events Rates</b>				
Beat Sweepers/Litter Pickers (per hour)	Price on Request	Price on Request		
Driver (per hour)	Price on Request	Price on Request		
Class 2 Driver (per hour)	Price on Request	Price on Request		
Small Mechanical Sweeper (per hour)	Price on Request	Price on Request		
Large Mechanical Sweeper (per hour)	Price on Request	Price on Request		
Sideloader - 3 Crew (per hour)	Price on Request	Price on Request		
Alley Cat - 3 Crew (per hour)	Price on Request	Price on Request		
<b>Sport &amp; Leisure</b>				
<b>Birmingham Alexander Stadium</b>				
<b>ATHLETICS</b>				
Alexander Stadium Main Track only	£175.00	£184.00	£9.00	5.14%
Alexander Stadium Main Centre Green Only	£175.00	£184.00	£9.00	5.14%
Alexander Stadium Community Track & Centre Green Combined	£175.00	£184.00	£9.00	5.14%
Throws field with Cages	£150.00	£158.00	£8.00	5.33%
West Stand seating area (without track or field hire)	£150.00	£158.00	£8.00	5.33%
South Lounge	£100.00	£105.00	£5.00	5.00%
North Lounge (by agreement with BCU)	£100.00	£105.00	£5.00	5.00%
Reception (Exclusive use)	£50.00	£52.50	£2.50	5.00%
All ancillary rooms level 0	£37.50	£39.40	£1.90	5.07%
Emergency Control Room (free with full stadium hire)	£75.00	£78.80	£3.80	5.07%
Box 1 & 2 (combined next to ECR)	£150.00	£158.00	£8.00	5.33%
Boxes 3 or 4 (smaller incl. King's Box)	£100.00	£105.00	£5.00	5.00%
Boxes 1, 2, 5 or 6	£120.00	£126.00	£6.00	5.00%
North Plaza	£75.00	£78.80	£3.80	5.07%
South Plaza	£75.00	£78.80	£3.80	5.07%
East Stand seating area (without track or infield)	£100.00	£105.00	£5.00	5.00%
2 x player changing rooms (West Stand)	£100.00	£105.00	£5.00	5.00%
1 x match officials changing rooms (West Stand)	£35.00	£36.80	£1.80	5.14%
Medical room (west stand)	£37.50	£39.40	£1.90	5.07%
Anti-Doping Room	£37.50	£39.40	£1.90	5.07%
Physiotherapy Room	£45.00	£47.00	£2.00	4.44%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Floodlights	£82.00	£86.10	£4.10	5.00%
Strength and Conditioning Gym (Coach Required)	£150.00	£158.00	£8.00	5.33%
PT trainer	£60.00	£63.00	£3.00	5.00%
Main function suite (games family lounge)	£175.00	£184.00	£9.00	5.14%
Main Function suite Annex (room 2.39)	£100.00	£105.00	£5.00	5.00%
<b>OTHER FACILITIES - subject to availability</b>				
Package 1 (6 hours) – Up to 500 pax		£1,700.00	New for 2024	
Package 2 (6 hours) – Up to 1000 pax		£2,400.00	New for 2024	
Package 3 (6 hours) – Up to 1000 -1800pax		£3,000.00	New for 2024	
Elite equipment add on		£300.00	New for 2024	
Additional Staff (e.g. Stewards)	£28.05	£29.50	£1.45	5.17%
Additional high jump bed (max = 3)	£193.85	£204.00	£10.15	5.24%
Floodlighting	£84.75	£89.00	£4.25	5.01%
Prices above are for Commercial use and may be reduced at the Managers discretion for Community use, schools / charities etc. Prices are by hour				
<b>Sport &amp; Leisure</b>				
<b>OTHER FACILITIES/ACTIVITIES</b>				
Holding Deposit	£722.60	£759.00	£36.40	5.04%
<b>Indoor Hall</b>				
Indoor Hall Exclusive use max 10 per area	£39.10	£41.10	£2.00	5.12%
Indoor Hall Exclusive use per area 13.00-15.30hrs	£84.80	£89.00	£4.20	4.95%
Indoor Hall Exclusive use all areas	£309.00	£324.00	£15.00	4.85%
Indoor Hall per session Adult	£6.60	£6.90	£0.30	4.55%
Indoor Hall per session Junior	£3.40	£3.60	£0.20	5.88%
Indoor Hall per session PTL	£5.30	£5.50	£0.20	3.77%
<b>GMAC</b>				
Kitchen	£36.90	£38.70	£1.80	4.88%
Viewing Gallery	£36.90	£38.70	£1.80	4.88%
Meeting Room	£36.90	£38.70	£1.80	4.88%
Martial Arts Room 1	£91.40	£96.00	£4.60	5.03%
Martial Arts Room 2	£71.60	£75.20	£3.60	5.03%
Martial Arts Room 3	£71.60	£75.20	£3.60	5.03%
<b>GMAC activities</b>				
Aikido Adult	£7.70	£8.10	£0.40	5.19%
Aikido Junior	£5.80	£6.10	£0.30	5.17%
Judo Adult	£7.90	£8.30	£0.40	5.06%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Judo Junior	£4.20	£4.40	£0.20	4.76%
Karate Adult	£7.70	£8.10	£0.40	5.19%
Karate Junior	£5.80	£6.10	£0.30	5.17%
Karate Family	£16.50	£17.30	£0.80	4.85%
The above room hire prices are guide prices for non-profit making organisations. Commercial rates are an additional 60% extra. Consumables and set-up and de-rig times are not included in prices listed.				
For all Sport and Leisure fees and charges Adults are classified as people aged 16 years and over				
<b>Community Leisure Centres</b>				
<b>Sport &amp; Leisure</b>				
<b>FACILITIES</b>				
<b>Sports Hall</b>				
Sports Hall - whole - Shard End Adult	£56.70	£59.50	£2.80	4.94%
Sports Hall - whole - Shard End Junior	£36.30	£38.10	£1.80	4.96%
Tarmac/Hard Surface	£23.20	£24.40	£1.20	5.17%
<b>ACTIVITIES</b>				
<b>Badminton</b>				
Kingstanding	£10.20	£10.70	£0.50	4.90%
Saltley	£10.20	£10.70	£0.50	4.90%
<b>Netball</b>				
Netball Court - indoor - Saltley	£56.80	£59.60	£2.80	4.93%
Netball Court - indoor - Kingstanding	£38.90	£40.80	£1.90	4.88%
<b>Cricket</b>				
Cricket Nets - Saltley	£36.80	£38.60	£1.80	4.89%
<b>Fitness session - Junior</b>				
Shard End	£4.50	£4.70	£0.20	4.44%
<b>Group Fitness (Exercise classes)</b>				
Shard End	£6.00	£6.30	£0.30	5.00%
<b>Miscellaneous Charges</b>				
Equipment Hire	£2.70	£2.80	£0.10	3.70%
<b>PASSPORT TO LEISURE</b>				
<b>Registration Fee</b>				
Birmingham Residents	£6.30	£6.60	£0.30	4.76%
<b>Sports Development</b>				
<b>Tennis / Gymnastics / Swimming</b>				
<b>Sport &amp; Leisure</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>TENNIS DEVELOPMENT 12 Weeks unless Stated</b>				
<b>JUNIOR</b>				
Mini Tots	£76.00	£79.80	£3.80	5.00%
Mini Tots - PTL	£60.80	£62.50	£1.70	2.80%
Mini Tennis - Red 45 min	£101.50	£107.00	£5.50	5.42%
Mini Tennis - Red 45 min - PTL	£81.30	£84.00	£2.70	3.32%
Mini Tennis - Orange 45 min	£101.50	£107.00	£5.50	5.42%
Mini Tennis - Orange 45 min - PTL	£81.30	£84.00	£2.70	3.32%
Mini Tennis - Green - 1 hour	£133.70	£140.00	£6.30	4.71%
Mini Tennis - Green - 1 hour - PTL	£106.90	£110.50	£3.60	3.37%
Junior Tennis 1 & 2	£157.40	£165.00	£7.60	4.83%
Junior Tennis 1 & 2 - PTL	£125.90	£129.50	£3.60	2.86%
Teen Tennis 1, 2 & 3	£157.40	£165.00	£7.60	4.83%
Teen Tennis 1, 2 & 3 - PTL	£125.90	£129.50	£3.60	2.86%
Teen Tennis 1, 2 & 3 - Outdoors	£116.40	£122.00	£5.60	4.81%
Teen Tennis 1, 2 & 3 - Outdoors - PTL	£93.20	£96.00	£2.80	3.00%
<b>ADULT</b>				
Adult - 60 mins - beginner	£157.40	£165.00	£7.60	4.83%
Adult - 60 mins - beginner - PTL	£125.90	£130.00	£4.10	3.26%
Adult - 90 mins	£180.60	£190.00	£9.40	5.20%
Adult - 90 mins - PTL	£144.30	£149.00	£4.70	3.26%
Adult - drill & tactics	£132.40	£139.00	£6.60	4.98%
Adult - drill & tactics - PTL	£105.70	£109.00	£3.30	3.12%
Adult - rusty rackets (6 weeks)	£64.10	£67.30	£3.20	4.99%
Adult - rusty rackets (6 weeks) - PTL	£51.60	£53.00	£1.40	2.71%
Course less than 12 weeks will be pro-rata.				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>GYMNASTICS DEVELOPMENT</b>				
<b>JUNIOR GYMNASTS</b>				
Elite Gymnastics - 4+ Sessions per week	£90.90	£95.40	£4.50	4.95%
2nd Child - 4 Sessions	£68.90	£72.30	£3.40	4.93%
3rd Child - 4 Sessions	£59.40	£62.40	£3.00	5.05%
Elite Gymnastics - 4+ Sessions PTL	£72.40	£75.00	£2.60	3.59%
Elite Gymnastics - 3 Sessions per week	£71.80	£75.40	£3.60	5.01%
2nd Child - 3 Sessions	£53.50	£56.20	£2.70	5.05%
3rd Child - 3 Sessions	£46.90	£49.20	£2.30	4.90%
Elite Gymnastics - 3 Sessions PTL	£57.60	£59.50	£1.90	3.30%
Elite Gymnastics - 1- 2 Sessions per week	£52.30	£54.90	£2.60	4.97%
2nd Child - 1 - 2 Sessions	£39.20	£41.20	£2.00	5.10%
3rd Child - 1 -2 Sessions	£35.00	£36.80	£1.80	5.14%
Elite Gymnastics - 1- 2 Sessions PTL	£41.60	£43.00	£1.40	3.37%
Recreational Classes	£84.30	£88.50	£4.20	4.98%
Recreational Classes - 2nd Child	£62.40	£65.50	£3.10	4.97%
Recreational Classes - 3rd Child	£53.50	£56.20	£2.70	5.05%
Recreational Classes PTL	£67.70	£69.50	£1.80	2.66%
Advanced Recreational Class	£124.10	£130.00	£5.90	4.75%
Recreational Classes - 2nd Child	£93.80	£98.50	£4.70	5.01%
Recreational Classes - 3rd Child	£82.00	£86.10	£4.10	5.00%
Advanced Recreational Classes PTL	£99.20	£102.50	£3.30	3.33%
4th Child FREE for all groups				
<b>ADULT</b>				
Floor Gymnastics	£8.30	£8.70	£0.40	4.82%
PTL Floor Gymnastics	£6.50	£6.50	£0.00	0.00%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>SWIMMING DEVELOPMENT</b>				
Open National Group - City Resident	£103.50	£109.00	£5.50	5.31%
Open National Group - City Non-resident	£115.70	£121.00	£5.30	4.58%
Open National Group - Passport-to-Leisure PTL	£82.60	£85.00	£2.40	2.91%
Open National Group - 2nd Child in Same Group	£77.10	£81.00	£3.90	5.06%
National Development Group - City Resident	£96.90	£101.70	£4.80	4.95%
National Development Group - City Non-resident	£109.00	£114.00	£5.00	4.59%
National Development Group - Passport-to-Leisure PTL	£77.60	£80.00	£2.40	3.09%
National Development Group - 2nd Child in Same Group	£68.30	£71.70	£3.40	4.98%
National Synchronised Group - City Resident	£82.60	£86.70	£4.10	4.96%
National Synchronised Group - City Non-resident	£96.90	£101.70	£4.80	4.95%
National Synchronised Group - Passport-to-Leisure PTL	£66.10	£68.00	£1.90	2.87%
National Synchronised Group - 2nd Child in Same Group	£61.70	£64.80	£3.10	5.02%
Youth Synchronised Group - City Resident	£72.70	£76.30	£3.60	4.95%
Youth Synchronised Group - City Non-resident	£83.70	£87.90	£4.20	5.02%
Youth Synchronised Group - Passport-to-Leisure PTL	£58.30	£60.00	£1.70	2.92%
Youth Synchronised Group - 2nd Child in Same Group	£55.10	£57.90	£2.80	5.08%
Junior Synchronised Group - City Resident	£63.90	£67.10	£3.20	5.01%
Junior Synchronised Group - City Non-resident	£77.60	£81.50	£3.90	5.03%
Junior Synchronised Group - Passport-to-Leisure PTL	£51.20	£53.00	£1.80	3.52%
Junior Synchronised Group - 2nd Child in Same Group	£47.30	£49.70	£2.40	5.07%
Learn to Synchro Swim - City Resident	£28.60	£30.00	£1.40	4.90%
Learn to Synchro Swim -City Non-resident	£33.60	£35.30	£1.70	5.06%
Learn to Synchro Swim - Passport-to-Leisure PTL	£23.10	£24.00	£0.90	3.90%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Sport &amp; Leisure</b>				
Learn to Synchro Swim - 2nd Child in Same Group	£19.80	£20.80	£1.00	5.05%
For all Sport and Leisure fees and charges Adults are classified as people aged 16 years and over				
<b>Leisure Centres - Facility Hire &amp; Miscellaneous</b>				
<b>INDOOR SPORTS</b>				
8-day Advance Booking Leisure Card membership - Court fees at each site are subject to an additional £1.00 per court for 8-day advance booking)				
<b>Sports Hall</b>				
Nechells (8 badminton court hall)	£136.50	£143.00	£6.50	4.76%
Cocks Moors Woods (8 courts)	£141.10	£148.00	£6.90	4.89%
Wyndley (5 courts)	£85.10	£89.40	£4.30	5.05%
Fox Hollies (4 court)	£85.10	£89.40	£4.30	5.05%
Handsworth (4 court)	£77.00	£80.90	£3.90	5.06%
Small Heath (4 court)	£64.20	£67.40	£3.20	4.98%
New Stechford (4 court)	£85.70	£90.00	£4.30	5.02%
<b>Badminton</b>				
Fox Hollies	£10.20	£10.70	£0.50	4.90%
Wyndley	£10.20	£10.70	£0.50	4.90%
Cocks Moors Woods	£10.20	£10.70	£0.50	4.90%
Handsworth	£10.20	£10.70	£0.50	4.90%
Small Heath	£10.20	£10.70	£0.50	4.90%
Great Barr	£10.20	£10.70	£0.50	4.90%
Nechells	£10.20	£10.70	£0.50	4.90%
New Stechford	£10.20	£10.70	£0.50	4.90%
<b>Squash</b>				
Fox Hollies	£10.20	£10.70	£0.50	4.90%
Small Heath	£10.20	£10.70	£0.50	4.90%
Wyndley	£10.20	£10.70	£0.50	4.90%
<b>OUTDOOR SPORTS</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Wyndley Artificial Pitch</b>				
Adult	£178.40	£187.00	£8.60	4.82%
Junior	£89.80	£94.30	£4.50	5.01%
1/3 rd Pitch	£61.20	£64.30	£3.10	5.07%
1/3 rd Pitch Junior	£32.60	£34.20	£1.60	4.91%
Wyndley Practice Area	£71.10	£74.70	£3.60	5.06%
Wyndley Practice Area Junior	£35.50	£37.30	£1.80	5.07%
<b>Sport &amp; Leisure</b>				
<b>Small Heath - Artificial Pitch</b>				
Adult	£128.30	£135.00	£6.70	5.22%
1/3 rd Pitch	£43.10	£45.30	£2.20	5.10%
Adult	£169.10	£178.00	£8.90	5.26%
Junior	£85.70	£90.00	£4.30	5.02%
1/3 rd Pitch	£55.90	£58.70	£2.80	5.01%
<b>Artificial Pitch - Saltley</b>				
Adult	£155.10	£163.00	£7.90	5.09%
Adult 1/3 Pitch	£62.40	£65.50	£3.10	4.97%
<b>Artificial Pitch - Colmers</b>				
Adult 1/3 Pitch	£53.60	£56.30	£2.70	5.04%
Adult Full Pitch	£159.20	£167.00	£7.80	4.90%
Junior 1/3 Pitch	£40.80	£42.80	£2.00	4.90%
Junior Full Pitch	£120.70	£127.00	£6.30	5.22%
<b>Wyndley Sports Meetings</b>				
Adult - Midweek	£320.20	£336.00	£15.80	4.93%
Adult - Weekend	£390.70	£410.00	£19.30	4.94%
Junior - Midweek	£220.40	£231.00	£10.60	4.81%
Junior - Weekend	£236.70	£249.00	£12.30	5.20%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Netball	£26.70	£28.00	£1.30	4.87%
Nechells - Multi Use Area	£24.50	£25.70	£1.20	4.90%
Cricket: Outdoor Practice Nets	£26.70	£28.00	£1.30	4.87%
<b>BILLESLEY INDOOR TENNIS CENTRE</b>				
<b>Indoor Court Hire</b>				
Peak Times - Adult	£28.90	£30.30	£1.40	4.84%
Peak Times - Junior	£13.90	£14.60	£0.70	5.04%
Off Peak	£12.20	£12.80	£0.60	4.92%
Weekends	£23.30	£24.50	£1.20	5.15%
School Use	£13.30	£14.00	£0.70	5.26%
<b>Outdoor Court Hire</b>				
Peak times - Adult	£13.90	£14.60	£0.70	5.04%
Peak times - Junior	£7.70	£8.10	£0.40	5.19%
Off peak - Adult	£11.10	£11.70	£0.60	5.41%
Off Peak - Junior	£5.90	£6.20	£0.30	5.08%
<b>TABLE TENNIS</b>				
Cocks Moors Woods	£9.10	£9.60	£0.50	5.49%
Fox Hollies	£9.10	£9.60	£0.50	5.49%
<b>Sport &amp; Leisure</b>				
Nechells	£9.10	£9.60	£0.50	5.49%
Wyndley	£9.10	£9.60	£0.50	5.49%
<b>NON-COMMERCIAL ROOM HIRE</b>				
<b>Room Hire</b>				
Calthorpe Play Centre	£32.20	£33.80	£1.60	4.97%
Stanhope Wellbeing Hub	£32.20	£33.80	£1.60	4.97%
<b>Firs &amp; Bromford Wellbeing Hub</b>				
Aston Pavilion	£47.30	£49.70	£2.40	5.07%
<b>Conference Suite</b>				
Cocks Moors Woods LC - Conference Suite (Small)	£75.60	£79.40	£3.80	5.03%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Cocks Moors Woods LC - Conference Suite (Medium)	£229.70	£241.00	£11.30	4.92%
Cocks Moors Woods LC - Conference Suite (Large)	£382.60	£402.00	£19.40	5.07%
<b>Dance Studio</b>				
Cocks Moors Woods LC - Dance Studio 2	£38.30	£40.20	£1.90	4.96%
Cocks Moors Woods LC - Dance Studio 1	£126.30	£133.00	£6.70	5.30%
Wyndley LC	£38.30	£40.20	£1.90	4.96%
Fox Hollies LC	£37.30	£39.20	£1.90	5.09%
Handsworth	£37.30	£39.20	£1.90	5.09%
Handsworth VAT	£45.60	£47.90	£2.30	5.04%
Harborne	£65.10	£68.40	£3.30	5.07%
New Erdington	£65.10	£68.40	£3.30	5.07%
New Northfield	£65.10	£68.40	£3.30	5.07%
New Stechford	£65.10	£68.40	£3.30	5.07%
New Sparkhill	£65.10	£68.40	£3.30	5.07%
Ladywood	£65.10	£68.40	£3.30	5.07%
<b>Indoor/Outdoor Sports</b>				
Short Mat Bowls	£4.50	£4.70	£0.20	4.44%
Running Track	£4.50	£4.70	£0.20	4.44%
For all Sport and Leisure fees and charges Adults are classified as people aged 16 years and over				
<b>Fitness Gym</b>				
Billesley Tennis Centre	£8.20	£8.60	£0.40	4.88%
Cocks Moors Woods	£8.20	£8.60	£0.40	4.88%
Fox Hollies	£8.20	£8.60	£0.40	4.88%
Alexander Stadium	£8.20	£8.60	£0.40	4.88%
<b>Sport &amp; Leisure</b>				
Nechells	£7.60	£8.00	£0.40	5.26%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Saltley	£8.20	£8.60	£0.40	4.88%
Wyndley	£8.20	£8.60	£0.40	4.88%
Kingstanding	£8.20	£8.60	£0.40	4.88%
Shard End	£7.90	£8.30	£0.40	5.06%
Small Heath LC and Nechells	£7.90	£8.30	£0.40	5.06%
Beeches Pool	£8.20	£8.60	£0.40	4.88%
Harborne	£8.20	£8.60	£0.40	4.88%
New Erdington	£8.20	£8.60	£0.40	4.88%
New Northfield	£8.20	£8.60	£0.40	4.88%
New Stechford	£8.20	£8.60	£0.40	4.88%
New Sparkhill	£8.20	£8.60	£0.40	4.88%
Ladywood	£8.20	£8.60	£0.40	4.88%
Individual PTL - discount 20% off-peak & 10% peak				
<b>Programmes</b>				
Induction - Starter Programme	£17.80	£18.70	£0.90	5.06%
Induction - Starter Programme (PTL)	£14.20	£14.50	£0.30	2.11%
Induction - Starter Programme Junior	£8.30	£8.70	£0.40	4.82%
Induction - Personal Programme	£33.00	£34.70	£1.70	5.15%
Induction - Personal Programme (PTL)	£26.40	£27.00	£0.60	2.27%
Programme Review	£3.40	£3.60	£0.20	5.88%
Personal Fitness Trainer 1 to 1	£51.30	£53.90	£2.60	5.07%
<b>Fitness Gym + Sauna combined ticket</b>				
Beeches	£13.00	£13.70	£0.70	5.38%
Gym & Sauna combined ticket PTL price reductions 30% off-peak and 10% peak				
Pulse Point users must be aged over 16, unless under instruction from a suitably qualified coach / instructor				
Handsworth Wellbeing Centre	£10.70	£11.20	£0.50	4.67%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
New Erdington	£10.70	£11.20	£0.50	4.67%
New Sparkhill	£10.70	£11.20	£0.50	4.67%
Ladywood	£10.70	£11.20	£0.50	4.67%
<b>Sport &amp; Leisure</b>				
<b>Free Weight Gym Small Heath only</b>				
Individual Session Small Heath LC	£7.90	£8.30	£0.40	5.06%
Induction Small Heath	£9.40	£9.90	£0.50	5.32%
Induction (PTL)	£7.60	£7.80	£0.20	2.63%
PowerPoint users must be aged over 16, unless under instruction from a suitably qualified coach / instructor.				
<b>EXERCISE TO MUSIC GROUP CLASSES</b>				
<b>Instructed Classes</b>				
Aerobics (all group fitness classes)	£8.10	£8.50	£0.40	4.94%
AquaTone	£8.10	£8.50	£0.40	4.94%
Aquafit	£8.10	£8.50	£0.40	4.94%
Yoga	£8.90	£9.30	£0.40	4.49%
Body training systems	£8.10	£8.50	£0.40	4.94%
Studio Cycling	£8.10	£8.50	£0.40	4.94%
<b>TONING TABLES @ Kingstanding LC</b>				
Toning Tables	£8.00	£8.40	£0.40	5.00%
Toning Tables (PTL)	£6.40	£6.60	£0.20	3.12%
Toning Tables (Course)	£71.30	£74.90	£3.60	5.05%
<b>HEALTH SUITES</b>				
<b>Sauna, Steam, Turkish</b>				
Steam Room/Sauna	£11.90	£12.50	£0.60	5.04%
Steam/Sauna Cabinet	£5.30	£5.60	£0.30	5.66%
Turkish	£12.40	£13.00	£0.60	4.84%
Turkish PTL	£9.90	£10.20	£0.30	3.03%
<b>Showers</b>				
Adult/Junior	£3.30	£3.50	£0.20	6.06%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>MONTHLY MEMBERSHIPS SCHEMES</b>				
<b>Your Choice Memberships paid by Direct Debit</b>				
Premier Choice (Cross service)	£35.50	£37.30	£1.80	5.07%
Fitness Choice (Gym Only Multi site Wellbeing)	£31.00	£32.60	£1.60	5.16%
Fitness Choice (Classes Only Multi Site Wellbeing)	£23.00	£24.20	£1.20	5.22%
Aqua Choice (Swimming Only Multi site Wellbeing)	£25.00	£26.30	£1.30	5.20%
Premier Choice Student Tiverton	£34.50	£36.20	£1.70	4.93%
<b>Sport &amp; Leisure</b>				
<b>Site specific health &amp; fitness monthly memberships not paid by Direct Debit</b>				
Gym & swim combined	£51.50	£54.10	£2.60	5.05%
Swim only	£38.90	£40.80	£1.90	4.88%
Leisure Centre Booking Card	£17.90	£18.80	£0.90	5.03%
For all Sport and Leisure fees and charges Adults are classified as people aged 16 years and over				
<b>SWIMMING POOL REGULAR HIRE</b>				
<b>Main Pool - Peak</b>				
Wyndley	£184.20	£193.00	£8.80	4.78%
Kingstanding	£186.60	£196.00	£9.40	5.04%
Fox Hollies	£135.30	£142.00	£6.70	4.95%
Beeches	£119.00	£125.00	£6.00	5.04%
Small Heath	£117.80	£124.00	£6.20	5.26%
Handsworth	£103.80	£109.00	£5.20	5.01%
Newtown	£103.80	£109.00	£5.20	5.01%
Moseley Road	£101.50	£107.00	£5.50	5.42%
Harborne	£184.20	£193.00	£8.80	4.78%
New Erdington	£184.20	£193.00	£8.80	4.78%
New Northfield	£184.20	£193.00	£8.80	4.78%
New Stechford	£184.20	£193.00	£8.80	4.78%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
New Sparkhill	£184.20	£193.00	£8.80	4.78%
Ladywood	£246.10	£258.00	£11.90	4.84%
<b>Main Pool - Off Peak</b>				
Kingstanding	£134.10	£141.00	£6.90	5.15%
Wyndley	£121.30	£127.00	£5.70	4.70%
Fox Hollies	£101.50	£107.00	£5.50	5.42%
Beeches	£86.30	£90.60	£4.30	4.98%
Newtown	£86.30	£90.60	£4.30	4.98%
Small Heath	£84.00	£88.20	£4.20	5.00%
Handsworth	£78.10	£82.00	£3.90	4.99%
Moseley Road	£86.30	£90.60	£4.30	4.98%
Harborne	£134.10	£141.00	£6.90	5.15%
New Erdington	£134.10	£141.00	£6.90	5.15%
New Northfield	£134.10	£141.00	£6.90	5.15%
New Stechford	£134.10	£141.00	£6.90	5.15%
New Sparkhill	£134.10	£141.00	£6.90	5.15%
<b>Sport &amp; Leisure</b>				
Ladywood	£178.40	£187.00	£8.60	4.82%
<b>Teaching Pool - Peak</b>				
Wyndley	£108.40	£114.00	£5.60	5.17%
Handsworth	£103.80	£109.00	£5.20	5.01%
Linden Road	£95.60	£100.40	£4.80	5.02%
Newtown	£73.40	£77.10	£3.70	5.04%
Moseley Road	£73.40	£77.10	£3.70	5.04%
Harborne	£108.40	£114.00	£5.60	5.17%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
New Erdington	£108.40	£114.00	£5.60	5.17%
New Northfield	£108.40	£114.00	£5.60	5.17%
New Stechford	£108.40	£114.00	£5.60	5.17%
New Sparkhill	£108.40	£114.00	£5.60	5.17%
Ladywood	£108.40	£114.00	£5.60	5.17%
<b>Teaching Pool - Off Peak</b>				
Wyndley	£73.40	£77.10	£3.70	5.04%
Handsworth	£68.80	£72.20	£3.40	4.94%
Linden Road	£68.80	£72.20	£3.40	4.94%
Newtown	£58.30	£61.20	£2.90	4.97%
Moseley Road	£58.30	£61.20	£2.90	4.97%
Harborne	£73.40	£77.10	£3.70	5.04%
New Erdington	£73.40	£77.10	£3.70	5.04%
New Northfield	£73.40	£77.10	£3.70	5.04%
New Stechford	£73.40	£77.10	£3.70	5.04%
New Sparkhill	£73.40	£77.10	£3.70	5.04%
Ladywood	£73.40	£77.10	£3.70	5.04%
<b>OCCASIONAL POOL HIRE - GALA ETC</b>				
<b>Main Pools</b>				
Cocks Moors Woods (Leisure pool)	£410.60	£431.00	£20.40	4.97%
Wyndley	£410.60	£431.00	£20.40	4.97%
Kingstanding (Leisure Pool)	£410.60	£431.00	£20.40	4.97%
Fox Hollies	£236.70	£249.00	£12.30	5.20%
<b>Sport &amp; Leisure</b>				
Handsworth	£173.80	£182.00	£8.20	4.72%
Beeches	£173.80	£182.00	£8.20	4.72%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Small Heath	£173.80	£182.00	£8.20	4.72%
Newtown	£173.80	£182.00	£8.20	4.72%
Harborne	£236.70	£249.00	£12.30	5.20%
New Erdington	£236.70	£249.00	£12.30	5.20%
New Northfield	£236.70	£249.00	£12.30	5.20%
New Stechford	£236.70	£249.00	£12.30	5.20%
New Sparkhill	£236.70	£249.00	£12.30	5.20%
Ladywood	£547.00	£574.00	£27.00	4.94%
School galas/events in normal schools' hours	£105.00	£110.00	£5.00	4.76%
Timing Equipment	£88.60	£93.00	£4.40	4.97%
<b>Teaching Pools</b>				
Wyndley	£144.60	£152.00	£7.40	5.12%
Linden Road	£116.60	£122.00	£5.40	4.63%
Handsworth	£106.10	£111.00	£4.90	4.62%
Newtown	£92.10	£96.70	£4.60	4.99%
Stechford	£90.90	£95.40	£4.50	4.95%
Moseley Road	£68.80	£72.20	£3.40	4.94%
Harborne	£144.60	£152.00	£7.40	5.12%
New Erdington	£144.60	£152.00	£7.40	5.12%
New Northfield	£144.60	£152.00	£7.40	5.12%
New Stechford	£144.60	£152.00	£7.40	5.12%
New Sparkhill	£144.60	£152.00	£7.40	5.12%
Ladywood	£144.60	£152.00	£7.40	5.12%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Charge for first 100 people. Add £1.00 per head over 100 people. The occasional hire rates take into account the need for staff safety cover.				
Galas and special events scheduled to extend into daytime public use shall be subject to a special application and a negotiated rate.				
<b>Sport &amp; Leisure</b>				
Bookings by organisations based outside the city should be subject to a negotiated hire charge, Based on a minimum of the occasional hire charge.				
<b>OTHER CHARGES</b>				
<b>Hire charge for staff lifeguard</b>				
One Leisure Assistant	£36.10	£37.90	£1.80	4.99%
<b>Schools Instruction Programme</b>				
Schools Swimming (including instructor)	£54.80	£57.50	£2.70	4.93%
Schools Swimming (including instructor)	£81.60	£85.70	£4.10	5.02%
Additional Swimming Instructor	£30.90	£32.40	£1.50	4.85%
Swimming Badges	£0.00	£0.00	£0.00	0.00%
Distance	£3.80	£4.00	£0.20	5.26%
Skills	£3.80	£4.00	£0.20	5.26%
Badge Sessions award	£4.10	£4.30	£0.20	4.88%
Old Strokes Badges	£2.60	£2.70	£0.10	3.85%
<b>NOTES</b>				
1) If a club whose headquarters are at one of the City Council's Swimming Pools or Leisure Centres has at least eight of its members participating in the junior group of the Advanced Coaching Scheme, then that club is entitled to pay the off-peak hire charge for one club session per week, up to a maximum of 3 hours, at the pool serving as its headquarters.				
2) 25% reduction on hire fee is given to designated lifesaving clubs/groups who (a) are affiliated to the RLSS Warwickshire Branch and b) offer courses and examinations leading to the RLSS UK/ISRM National Pool Lifeguard Qualification, or the RLSS UK rescue Test for Teachers and Coaches of swimming.				
3) School Use-				
Birmingham LEA schools - not applicable / internal charge				
Non-LEA Birmingham schools - Exempt if for educational purposes				
For all Sport and Leisure fees and charges Adults are classified as people aged 16years and over				
Swimming, Strokes Instruction and Strikes Instruction				
<b>Sport &amp; Leisure</b>				
<b>GENERAL SWIMMING</b>				
Cocks Moors Woods / Fox Hollies / Kingstanding / Stechford / Wyndley / Erdington / Sparkhill / Harborne / Northfield				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Adult	£6.00	£6.30	£0.30	5.00%
Adult (PTL)	£4.80	£5.00	£0.20	4.17%
Junior under 16	£3.90	£4.10	£0.20	5.13%
Spectator	£1.10	£1.20	£0.10	9.09%
Group swim	£3.50	£3.70	£0.20	5.71%
Family Swim	£16.20	£17.00	£0.80	4.94%
Family Swim (PTL)	£13.00	£13.40	£0.40	3.08%
<b>All other swimming pools</b>				
Adult	£5.80	£6.10	£0.30	5.17%
Adult (PTL)	£4.60	£4.80	£0.20	4.35%
Junior	£3.80	£4.00	£0.20	5.26%
Junior (PTL)	£3.00	£3.10	£0.10	3.33%
Spectator	£1.10	£1.20	£0.10	9.09%
Group swim	£3.50	£3.70	£0.20	5.71%
Family Swim	£15.40	£16.20	£0.80	5.19%
Family Swim (PTL)	£12.30	£12.70	£0.40	3.25%
Under 8's - only 2 under 8s allowed in with one adult at all times, both in and out of the water.				
<b>STROKES - SWIMMING INSTRUCTION - MAXIMUM CHARGES</b>				
<b>Strokes for Life Course - Maximum Charges</b>				
Junior	£77.20	£84.90	£7.70	9.97%
Junior PTL	£61.80	£68.00	£6.20	10.03%
Junior Coaching	£85.50	£94.10	£8.60	10.06%
Adult	£90.30	£99.30	£9.00	9.97%
Adult PTL	£72.40	£79.60	£7.20	9.94%
Adult - Sixty Plus	£56.40	£62.00	£5.60	9.93%
Adult - Individual lesson	£10.90	£12.00	£1.10	10.09%
<b>Sport &amp; Leisure</b>				
<b>Strokes for Life Adult &amp; Child - Maximum Charges</b>				
Course Registration Fee	£28.80	£31.70	£2.90	10.07%
Course Individual Lesson Fee (each week)	£4.60	£5.10	£0.50	10.87%
Individual Lesson	£7.80	£8.60	£0.80	10.26%
Mini Splash Session for Parent & Child	£6.50	£7.20	£0.70	10.77%
<b>Strokes for Life Junior Ducklings - Maximum Charges</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
First Strokes course 12 weeks max of 8 children	£85.00	£93.50	£8.50	10.00%
First Strokes course 12 weeks max of 4 children	£147.90	£162.70	£14.80	10.01%
<b>Strokes for Life Stage 10</b>				
Canoeing	£85.00	£93.50	£8.50	10.00%
Water polo	£85.00	£93.50	£8.50	10.00%
Synchronised swimming	£85.00	£93.50	£8.50	10.00%
Rookie lifeguard	£85.00	£93.50	£8.50	10.00%
Swim Fit	£85.00	£93.50	£8.50	10.00%
<b>Strokes for Life - Challenge awards - 12-week course - Maximum Charge</b>				
Bronze / Silver / Gold	£77.20	£84.90	£7.70	9.97%
<b>Holiday Crash Courses - Maximum Charges</b>				
Junior (5-Day)	£37.40	£41.10	£3.70	9.89%
Junior (4-Day)	£33.70	£37.10	£3.40	10.09%
Junior (5-Day)	£51.00	£56.10	£5.10	10.00%
Junior (4-Day)	£43.90	£48.30	£4.40	10.02%
Adult (5-Day)	£49.90	£54.90	£5.00	10.02%
Adult (4-Day)	£37.40	£41.10	£3.70	9.89%
<b>Strokes for Life Premier Strokes Junior - Maximum Charges</b>				
Junior - individual lesson - one-to-one	£33.70	£37.10	£3.40	10.09%
Junior - Individual less two juniors / one instructor	£29.30	£32.20	£2.90	9.90%
Junior course group of 4	£146.60	£161.30	£14.70	10.03%
Junior - course - group of six	£137.20	£150.90	£13.70	9.99%
<b>Strokes for Life Premier Strokes Adult - Maximum Charges</b>				
Adult - individual lesson 1 - 1	£32.40	£35.60	£3.20	9.88%
<b>Sport &amp; Leisure</b>				
Adult - 12 week	£289.40	£304.00	£14.60	5.04%
Adult - individual lesson 2 - 1	£29.30	£30.80	£1.50	5.12%
Adult - 12 week 1 - 6	£137.20	£144.00	£6.80	4.96%
Adult - 12 week 1 - 4	£160.90	£169.00	£8.10	5.03%
No PTL price reduction on Premier Strokes individual lessons. 20% PTL price reduction on all other Strokes courses				
<b>STRIKES - GROUP FOOTBALL INSTRUCTION</b>				
<b>12-week courses</b>				
Junior	£77.20	£81.10	£3.90	5.05%
Junior PTL	£61.80	£63.70	£1.90	3.07%
First Kicks 12 week	£56.40	£59.20	£2.80	4.96%
<i>PTL discount is 20% off the standard price</i>				
<b>DRY INSTRUCTION</b>				
<b>12-week courses</b>				
Gymfants - 12 week	£77.20	£81.10	£3.90	5.05%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Gymbounce - 12 week	£77.20	£81.10	£3.90	5.05%
Gymfants P&P	£8.60	£9.00	£0.40	4.65%
<b>GMAC</b>				
1 quarter of Hire of Gymnastics Hall per hour	£134.60	£141.00	£6.40	4.75%
Half Gymnastics Hall per hour	£269.30	£283.00	£13.70	5.09%
Whole Gymnastics Hall per hour	£538.60	£566.00	£27.40	5.09%
<b>Cultural Development - Film Birmingham</b>				
<b>Street Filming (non-refundable)</b>				
Crew – up to 10 people	£65.00	£72.00	£7.00	10.77%
Crew – 11-24 people	£150.05	£165.00	£14.95	9.96%
Crew -25 - 74	£280.50	£309.00	£28.50	10.16%
Crew – 75 - 99	£455.00	£500.00	£45.00	9.89%
Crew - 100 +149		£600.00		New for 2024
Crew - 150 +		£1,000.00		New for 2024
Charity / Students / Travelogues	£0.00	£0.00	£0.00	
Drone Permits	£180.00	£198.00	£18.00	10.00%
<b>Parking</b>				
Location Fees per hour (minimum charge)	£55.00	£80.00	£25.00	45.45%
Location Fees per hour (maximum charge)	£210.00	£250.00	£40.00	19.05%
<b>Cultural Development - Film Birmingham</b>				
Facilitation/Staffing per hour (minimum charge)	£55.00	£55.00	£0.00	0.00%
Facilitation/Staffing per hour (maximum charge)	£80.00	£80.00	£0.00	0.00%
<b>Temporary Traffic Restrictions</b>				
Road Traffic Notice	£560.00-£2700.00	£560.00-£2700.00		
Cherry Picker/Scaffold Permits	£48.00	£53.00	£5.00	10.42%
Library of Birmingham (per hour)	£160.00	£176.00	£16.00	10.00%
Library of Birmingham (Student/Charity per hour)	£26.00	£29.00	£3.00	11.54%
<b>Parks Fees</b>				
Premiere Parks Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills & Sutton Park				
<b>City Operations</b>				
<b>Car Parking</b>				
<b>ON-STREET PARKING CHARGES</b>				
<b>Outer Zone, Jewellery Quarter Zone and Gun Quarter Zone</b>				
Monday to Saturday 8am - 6pm				
Up to 1 hour	£1.70	£1.70	£0.00	0.00%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Up to 2 hours	£2.40	£2.70	£0.30	12.50%
Up to 3 hours	£4.00	£4.20	£0.20	5.00%
Up to 4 hours	£5.00	£5.20	£0.20	4.00%
<b>Overnight 5pm - 9am and all-day Sunday</b>				
Annual	£112.00	£116.00	£4.00	3.57%
<b>Overnight 5pm - 9am and all-day Saturday &amp; Sunday</b>				
Annual	£225.00	£232.00	£7.00	3.11%
<b>Jewellery Quarter and Gun Zone Season Tickets</b>				
Annual (residents)	£290.00	£299.00	£9.00	3.10%
Annual (local employees)	£365.00	£376.00	£11.00	3.01%
<b>Eastside Zone (Cashless Payment Only)</b>				
<b>Monday to Saturday 8am - 7.30pm</b>				
Up to 1 hour	£1.70	£1.70	£0.00	0.00%
Up to 2 hours	£2.40	£2.70	£0.30	12.58%
Up to 3 hours	£4.00	£4.20	£0.20	5.00%
Up to 4 hours	£5.00	£5.20	£0.20	4.00%
<b>Digbeth and Irish Quarter</b>				
Up to 1 hour	£1.60	£1.60	£0.00	0.00%
Up to 2 hours	£2.40	£2.60	£0.20	8.33%
Up to 3 hours	£3.70	£3.90	£0.20	5.41%
Up to 4 hours	£4.80	£5.10	£0.30	6.25%
Residents Permit	£280.00	£289.00	£9.00	3.21%
Business Permit	£360.00	£371.00	£11.00	3.06%
<b>Ladywood zone (Cashless Payments Only)</b>				
<b>Monday to Saturday 8am - 7pm</b>				
Up to 1 hour	£1.50	£1.70	£0.20	13.33%
Up to 2 hours	£1.90	£2.10	£0.20	10.53%
Up to 3 hours	£2.60	£2.80	£0.20	7.69%
Up to 4 hours	£3.60	£3.90	£0.30	8.33%
<b>Dale Road (Cashless Payments Only)</b>				
<b>Monday to Saturday 8am - 7pm</b>				
Up to 1 hour	£0.90	£0.90	£0.00	0.00%
Up to 2 hours	£1.50	£1.60	£0.10	6.33%
Up to 3 hours	£2.00	£2.10	£0.10	5.00%
Up to 4 hours	£2.20	£2.30	£0.10	4.36%
<b>RESIDENT PARKING SCHEMES</b>				
<b>Resident Permit</b>				
First Permit	£20.00	£20.60	£0.60	3.00%
Second and Subsequent Permits	£40.00	£41.20	£1.20	3.00%
<b>Resident Visitor Permit</b>				
<b>The permits are available in pads of five permits</b>				
Change per permit	£0.80	£0.90	£0.10	13.00%
<b>Business Permit</b>				
Suburban areas	£149.00	£153.50	£4.50	3.02%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>OFF - STREET PARKING CHARGES</b>				
<b>Great Charles Street - Ludgate Hill Closed</b>				
<b>Monday - Friday</b>				
Up to 2 hours	£3.30	£3.40	£0.10	3.00%
Up to 4 hours	£5.60	£5.80	£0.20	3.54%
Up to 6 hours	£7.10	£7.30	£0.20	2.86%
Up to 12 hours	£8.20	£9.50	£1.30	15.80%
Up to 24 hours	£9.20	£11.50	£2.30	24.96%
<b>Saturday and Sunday</b>				
All day until midnight	£4.50	£5.00	£0.50	11.11%
<b>Season Tickets</b>				
<b>Monday - Friday 7:00 am to 7:00pm</b>				
<b>SNOW HILL MULTI - STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£4.30	£4.30	£0.00	0.00%
Up to 4 hours	£6.60	£6.60	£0.00	0.00%
Up to 6 hours	£10.00	£10.30	£0.30	3.00%
Up to 12 hours	£14.00	£16.00	£2.00	14.29%
Up to 24 hours	£18.00	£20.00	£2.00	11.11%
all - day flat rate charge for motorcycles	£1.00	£1.00	£0.00	0.00%
<b>Season Tickets</b>				
<b>Monday - Friday 7:00 am to 7:00pm</b>				
Three Calendar Months	£720.00	£741.60	£21.60	3.00%
Six Calendar Months	£1,390.00	£1,431.70	£41.70	3.00%
Annually	£2,710.00	£2,791.30	£81.30	3.00%
<b>Everyday 7:00 to Midnight</b>				
Three Calendar Months	£860.00	£885.80	£25.80	3.00%
Six Calendar Months	£1,640.00	£1,689.20	£49.20	3.00%
Annually	£3,050.00	£3,141.50	£91.50	3.00%
<b>All day every day</b>				
Three Calendar Months	£990.00	£1,019.70	£29.70	3.00%
Six Calendar Months	£1,950.00	£2,008.50	£58.50	3.00%
Annually	£3,700.00	£3,811.00	£111.00	3.00%
<b>TOWN HALL MULTI - STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£4.30	£4.30	£0.00	0.00%
Up to 4 hours	£6.60	£6.60	£0.00	0.00%
Up to 6 hours	£10.00	£10.30	£0.30	3.00%
Up to 12 hours	£14.00	£16.00	£2.00	14.29%
Up to 24 hours	£18.00	£20.00	£2.00	11.11%
<b>Season Tickets</b>				
<b>Monday - Friday 7:00 am to 7:00pm</b>				
Three Calendar Months	£720.00	£741.60	£21.60	3.00%
Six Calendar Months	£1,390.00	£1,431.70	£41.70	3.00%
Annually	£2,710.00	£2,791.30	£81.30	3.00%
<b>Monday - Friday 7:00pm to Midnight</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Three Calendar Months	£780.00	£803.40	£23.40	3.00%
Six Calendar Months	£1,510.00	£1,555.30	£45.30	3.00%
Annually	£3,000.00	£3,090.00	£90.00	3.00%
<b>All day every day</b>				
Three Calendar Months	£980.00	£1,019.70	£39.70	4.05%
Six Calendar Months	£1,800.00	£2,008.50	£208.50	11.58%
Annually	£3,200.00	£3,811.00	£611.00	19.09%
<b>DUDLEY STREET &amp; NAVIGATION STREET CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£3.80	£4.00	£0.20	5.26%
Up to 4 hours	£6.60	£6.60	£0.00	0.00%
Up to 6 hours	£9.80	£10.30	£0.50	5.10%
Up to 12 hours	£13.10	£16.00	£2.90	22.14%
Up to 24 hours	£15.30	£20.00	£4.70	30.72%
All day flat rate for motorcycles	£1.00	£1.00	£0.00	0.00%
<b>MILLENIUM POINT MULTI-STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£3.30	£3.30	£0.00	0.00%
Up to 4 hours	£5.40	£5.60	£0.20	3.74%
Up to 6 hours	£6.30	£6.50	£0.20	3.16%
Up to 12 hours	£7.30	£8.00	£0.70	9.59%
Up to 24 hours	£10.30	£11.50	£1.20	11.65%
<b>Season Tickets</b>				
<b>Monday - Friday 7:00am - 7:00pm</b>				
Three Calendar Months	£320.00	£329.60	£9.60	3.00%
Six Calendar Months	£545.00	£561.40	£16.40	3.01%
Annually	£1,020.00	£1,050.60	£30.60	3.00%
<b>All Day Every Day</b>				
Three Calendar Months	£445.00	£460.00	£15.00	3.37%
Six Calendar Months	£800.00	£830.00	£30.00	3.75%
Annually	£1,365.00	£1,410.00	£45.00	3.30%
Lost Ticket Charge	(new)	£15.00		
<b>Car Parking</b>				
<b>JEWELLERY QUARTER MULTI-STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£2.30	£2.40	£0.10	4.30%
Up to 4 hours	£3.30	£3.40	£0.10	3.00%
Up to 6 hours	£5.20	£5.40	£0.20	3.77%
Up to 10 hours	£7.30	£7.60	£0.30	4.10%
<b>Season Tickets</b>				
<b>All day Every Day</b>				
Three Calendar Months	£270.00	£280.00	£10.00	3.70%
Six Calendar Months	£500.00	£520.00	£20.00	4.00%
Annually	£945.00	£980.00	£35.00	3.70%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Levels 4, 5 and 6 Local employees only)</b>				
Annually	£440.00	£455.00	£15.00	3.41%
<b>BREWERY STREET MULTI-STOREY CAR PARK</b>				
Up to 6 hours	£11.10	£12.50	£1.40	12.61%
Up to 24 hours	£22.00	£24.00	£2.00	9.09%
<b>VICTORIA ROAD CAR PARK - CLOSED</b>				
Up to 2 hours	£1.00	Not applicable		
Up to 4 hours	£1.90	Not applicable		
All Day	£3.20	Not applicable		
<b>Season Tickets all day every day:</b>				
3 Calendar Months	£190.00	Not applicable		
6 Calendar Months	£350.00	Not applicable		
Annual	£631.00	Not applicable		
<b>DUCHESS ROAD CAR PARK</b>				
Up to 2 hours	£1.30	£1.40	£0.10	7.62%
Up to 4 hours	£2.40	£2.50	£0.10	4.25%
Up to 24 hours	£3.70	£4.20	£0.50	13.51%
<b>Season Tickets all day every day:</b>				
3 Calendar Months	£200.00	£210.00	£10.00	5.00%
6 Calendar Months	£390.00	£410.00	£20.00	5.13%
Annual	£720.00	£756.00	£36.00	5.00%
<b>ALL LOCAL CAR PARKS</b>				
<b>Monday to Saturday</b>				
Up to 2 hours	£1.20	£1.30	£0.10	8.00%
Up to 4 hours	£2.50	£2.60	£0.10	3.80%
Up to 24 hours	£4.80	£5.00	£0.20	4.25%
<b>Sunday</b>				
Up to 2 hours	£1.10	£1.20	£0.10	9.36%
Up to 10 hours	£2.10	£2.20	£0.10	4.90%
<b>NORTHFIELD TOWN CENTRE</b>				
<b>Monday to Saturday</b>				
Up to 2 hours	£1.20	£1.30	£0.10	8.00%
Up to 4 hours	£2.50	£2.60	£0.10	3.80%
Up to 24 hours	£4.80	£5.00	£0.20	4.25%
<b>Sunday</b>				
Up to 2 hours	£1.40	£1.50	£0.10	7.29%
Up to 10 hours	£2.50	£2.60	£0.10	3.80%
<b>Car Parking</b>				
<b>SUTTON COLDFIELD TOWN CENTRE</b>				
<b>Monday to Saturday</b>				
Up to 2 hours	£1.50	£1.60	£0.10	6.33%
Up to 4 hours	£2.50	£2.60	£0.10	3.80%
Up to 24 hours	£4.80	£5.00	£0.20	4.25%
<b>Sunday</b>				
Up to 2 hours	£1.40	£1.50	£0.10	7.29%
Up to 10 hours	£2.50	£2.60	£0.10	3.80%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Season Tickets - Bewdley Avenue, Boulton Road, Alfred Road, Clifton Road, Oldfield Road, St Paul's Road</b>				
3 Calendar Months	£130.00	£137.00	£7.00	5.38%
6 Calendar Months	£245.00	£258.00	£13.00	5.31%
Annual	£440.00	£462.00	£22.00	5.00%
<b>York Street, Moseley Village</b>				
3 Calendar Months	£185.00	£195.00	£10.00	5.41%
6 Calendar Months	£370.00	£389.00	£19.00	5.14%
Annual	£675.00	£709.00	£34.00	5.04%
<b>Moseley Village</b>				
3 Calendar Months	£185.00	£195.00	£10.00	5.41%
6 Calendar Months	£360.00	£378.00	£18.00	5.00%
Annual	£660.00	£693.00	£33.00	5.00%
<b>Anchorage Road, Duke Street South, South Parade</b>				
3 Calendar Months	£185.00	£195.00	£10.00	5.41%
6 Calendar Months	£370.00	£389.00	£19.00	5.14%
Annual	£675.00	£709.00	£34.00	5.04%
<b>ON-STREET PARKING CHARGES</b>				
<b>Inner Zone</b>				
<b>Monday to Sunday 8am to 7.30pm</b>				
Up to 1 hour	£3.80	£3.90	£0.10	2.74%
Up to 90 minutes (after 6pm)	£4.00	£4.20	£0.20	5.00%
Up to 2 hours	£6.50	£6.50	£0.00	0.00%
Up to 3 hours	£8.20	£8.50	£0.30	3.61%
Up to 4 hours	£10.20	£12.00	£1.80	17.65%
<b>Season Tickets and Residents Permits</b>				
<b>Replacements</b>				
Vehicle Change	£12.60	£13.00	£0.40	3.16%
Lost/Stolen/Damaged Season Ticket or Permit	£23.20	£23.90	£0.70	3.00%
<b>Refunds</b>				
Charge per Season Ticket or Permit	£16.80	£17.30	£0.50	3.00%
<b>Parking Dispensations and Suspensions</b>				
Dispensation to park on double yellow lines or contravene parking restrictions in exceptional and essential circumstances	£20.00	£20.60	£0.60	3.00%
Daily Charge Per Bay (Bays 1-3)	£15.75	£16.30	£0.55	3.51%
Daily Charge for Additional Bays (multiples of 3, or part thereof)	£15.75	£16.30	£0.55	3.51%
Charge for set up/take down	£73.50	£75.80	£2.30	3.12%
Admin Charge	£15.75	£16.30	£0.55	3.51%
Any additional costs associated with temporary suspension	Full Cost	Full Cost		
<b>Permanent Loss of on-street parking bays due to development or change of use</b>				
Charge to developers for loss of on street bay, where displaced bay cannot be located in near vicinity	Full Cost	Full Cost		
Any additional costs associated with loss of bay (i.e. amending Traffic Regulation Order, relocating ticket machines)	Full Cost	Full Cost		

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Transportation, Connectivity &amp; Highways</b>				
<b>Highways - Dropped Kerbs</b>				
Dropped Kerb Site Inspection Fee	£103.00	£113.00	£10.00	9.71%
Dropped Kerb Administration Fee	£296.00	£326.00	£30.00	10.14%
Dropped Kerb Construction Cost	At Cost	At Cost		
Dropped Kerb Construction during planned Footway maintenance (standard size) - discounted as per Council's technical policy plus administration	£239.00	£263.00	£24.00	10.04%
Inspection of Illegally Constructed Dropped Kerb	£406.00	£447.00	£41.00	10.10%
Inspection of Dropped Kerb / Site as requested by potential property buyer	£130.00	£143.00	£13.00	10.00%
Confirmation of status of Dropped Kerb constructed > 6 years ago	£130.00	£143.00	£13.00	10.00%
<b>Highways - Local Engineers</b>				
Dropped Kerb Protection Marking (H marking)	£150.00	£165.00	£15.00	10.00%
Per additional metre over 5m	£28.00	£31.00	£3.00	10.71%
Authorisation for the installation of temporary Traffic Signals at multiple junctions	£265.00	£292.00	£27.00	10.19%
Temporary Traffic Regulation Order Notice - Admin fee by Districts	£1,169.00	£1,286.00	£117.00	10.01%
Bellmouth Agreement/Heavy duty crossover	£1,159.00	£1,275.00	£116.00	10.01%
Traffic Regulation Order Processing Charges - Document prep, re-design, consultation, legal costs, audit, advertisement & data management (for more than 5 days)	At Cost	At Cost		
<b>Transportation, Connectivity &amp; Highways</b>				
<b>Temporary Road Closures (for Events)</b>				
Temporary Road Closures (for Events) under the Towns Police Clauses Act 1847 - Officer time to process applications, carry out site investigations, produce plans, design signs, attend meetings, liaise with various stakeholders as necessary, carry out consultation, produce closure Notices, undertake any other actions as deemed appropriate and implement closure on site.	At Cost	At Cost		
<b>Structures - Approval in Principle Process</b>				
Review and Approval of proposals on Electrical Assets	At Cost	At Cost		
Review and Approval of proposals affecting Structural Assets	At Cost	At Cost		
<b>Direction Signs</b>				
Tourist Direction Signs - Application	£183.00	£202.00	£19.00	10.38%
Tourist Direction Signs - Sign determination, design, implementation, and maintenance	At Cost	At Cost		
Temporary Direction Signs - Application and initial period of licence up to 6 months	£365.00	£402.00	£37.00	10.14%
Temporary Direction Signs - Further 6-month extension of the licence period	£182.00	£201.00	£19.00	10.44%
<b>Drainage Related Charges</b>				
River Modelling - Minimum Charge	£193.00	£213.00	£20.00	10.36%
River Modelling - Maximum Charge	£2,651.00	£2,917.00	£266.00	10.03%
Other Drainage Services (Records, Assessments, etc.)	At Cost	At Cost		
Ordinary Water Course Consents	£50.00	£50.00	£0.00	0.00%
Pre-Application Advice for Developers	At Cost	At Cost		
<b>Streetworks Charges</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Charges Under the New Roads and Street Works Act (s72) - Sample Inspections	£50.00	£50.00	£0.00	0.00%
Charges Under the New Roads and Street Works Act (s72) - Defective Reinstatement Inspection Fee	£47.50	£47.50	£0.00	0.00%
Charges Under the New Roads and Street Works Act (s72) - Third Party Inspection Fee	£68.00	£68.00	£0.00	0.00%
New Roads & Streetworks - Section 50 License	£952.00	£1,048.00	£96.00	10.08%
Street Works Regulations - Occupancy of Traffic-sensitive street or protected street not in road category 2, 3 or 4 beyond notified period. (Each day for first 3 days)	£5,000.00	£5,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Another street not in road category 2, 3 or 4 beyond notified period. (Each day for first 3 days)	£2,500.00	£2,500.00	£0.00	0.00%
Street Works Regulations - Occupancy of Traffic-sensitive Traffic-sensitive street or protected	£3,000.00	£3,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street in road category 2. Beyond notified period (Each day for first 3 days)	£2,000.00	£2,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Traffic-sensitive street or protected street in road category 3 or 4 beyond notified period (Each day after 3 days)	£750.00	£750.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street in road category 3 or 4 beyond notified period (Each day after 3 days)	£250.00	£250.00	£0.00	0.00%
Street Works Regulations - Occupancy of Traffic-sensitive street or protected	£10,000.00	£10,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street not in road category 2, 3 or 4. (Each day for first 3 days)	£2,500.00	£2,500.00	£0.00	0.00%
Street Works Regulations - Occupancy of Traffic-sensitive street or protected	£8,000.00	£8,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street in road category 2. (Each day after 3 days)	£2,000.00	£2,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Traffic-sensitive street or protected street in road category 3 or 4 (Each day after 3 days)	£750.00	£750.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street in road category 3 or 4 (Each day after 3 days)	£250.00	£250.00	£0.00	0.00%
Street Works Regulations - Occupancy of Street not in road category 2, 3 or 4. Beyond notified period. (Each Day)	£2,500.00	£2,500.00	£0.00	0.00%
Street Works Regulations - Occupancy of Street in road category 2. Beyond notified period (Each Day)	£2,000.00	£2,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Street in road category 3 or 4. beyond notified period. (Each Day)	£250.00	£250.00	£0.00	0.00%
Street Works Regulations - Occupancy of any Street beyond notified period (Each Street)	£100.00	£100.00	£0.00	0.00%
<b>Permit Scheme for Road &amp; Street Activities (costs per application; flat fee)</b>				
Category 0, 1 & 2 - PAA - wholly or partly within traffic sensitive times and/or locations	£84.00	£84.00	£0.00	0.00%
Category 0, 1 & 2 - PAA - wholly outside of traffic sensitive times and/or locations (10% discount)	£75.60	£75.60	£0.00	0.00%
Category 0, 1 & 2 - Major (over 10 days and all requiring a TRO) - wholly or partly within traffic sensitive times and/or locations	£172.00	£172.00	£0.00	0.00%
Category 0, 1 & 2 - Major (over 10 days and all requiring a TRO) - wholly outside of traffic sensitive times and/or locations (10% discount)	£154.80	£154.80	£0.00	0.00%
Category 0, 1 & 2 - Major (4 to 10 days) - wholly or partly within traffic sensitive times and/or locations	£104.00	£104.00	£0.00	0.00%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Category 0, 1 & 2 - Major (4 to 10 days) - wholly outside of traffic sensitive times and/or locations (10% discount)	£93.60	£93.60	£0.00	0.00%
Category 0, 1 & 2 - Major (up to 3 days) - wholly or partly within traffic sensitive times and/or locations	£53.00	£53.00	£0.00	0.00%
Category 0, 1 & 2 - Major (up to days) - wholly outside of traffic sensitive times and/or locations (10% discount)	£47.70	£47.70	£0.00	0.00%
Category 0, 1 & 2 - Standard - wholly or partly within traffic sensitive times and/or locations	£104.00	£104.00	£0.00	0.00%
Category 0, 1 & 2 - Standard - wholly outside of traffic sensitive times and/or locations (10% discount)	£93.60	£93.60	£0.00	0.00%
Category 0, 1 & 2 - Minor - wholly or partly within traffic sensitive times and/or locations	£53.00	£53.00	£0.00	0.00%
Category 0, 1 & 2 - Minor - wholly outside of traffic sensitive times and/or locations (10% discount)	£47.70	£47.70	£0.00	0.00%
Category 0, 1 & 2 - Intermediate - wholly or partly within traffic sensitive times and/or locations	£50.00	£50.00	£0.00	0.00%
Category 0, 1 & 2 - Intermediate - wholly outside of traffic sensitive times and/or locations (10% discount)	£45.00	£45.00	£0.00	0.00%
Category 0, 1 & 2 - Variations - wholly or partly within traffic sensitive times and/or locations	£45.00	£45.00	£0.00	0.00%
Category 0, 1 & 2 - Variations - wholly outside of traffic sensitive times and/or locations (10% discount)	£45.00	£45.00	£0.00	0.00%
Category 3 & 4 - PAA - wholly or partly within traffic sensitive times and/or locations	£84.00	£84.00	£0.00	0.00%
Category 3 & 4 - PAA - wholly outside of traffic sensitive times and/or locations (10% discount)	£75.60	£75.60	£0.00	0.00%
Category 3 & 4 - Major (over 10 days and all requiring a TRO) - wholly or partly within traffic sensitive times and/or locations	£172.00	£172.00	£0.00	0.00%
Category 3 & 4 - Major (over 10 days and all requiring a TRO) - wholly outside of traffic sensitive times and/or locations (10% discount)	£154.80	£154.80	£0.00	0.00%
Category 3 & 4 - Major (4 to 10 days) - wholly or partly within traffic sensitive times and/or locations	£104.00	£104.00	£0.00	0.00%
Category 3 & 4 - Major (4 to 10 days) - wholly outside of traffic sensitive times and/or locations (10% discount)	£93.60	£93.60	£0.00	0.00%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Category 3 & 4 - Major (up to 3 days) - wholly or partly within traffic sensitive times and/or locations	£53.00	£53.00	£0.00	0.00%
Category 3 & 4 - Major (up to days) - wholly outside of traffic sensitive times and/or locations (10% discount)	£47.70	£47.70	£0.00	0.00%
Category 3 & 4 - Standard - wholly or partly within traffic sensitive times and/or locations	£104.00	£104.00	£0.00	0.00%
Category 3 & 4 - Standard - wholly outside of traffic sensitive times and/or locations (10% discount)	£93.60	£93.60	£0.00	0.00%
Category 3 & 4 - Minor - wholly or partly within traffic sensitive times and/or locations	£53.00	£53.00	£0.00	0.00%
Category 3 & 4 - Minor - wholly outside of traffic sensitive times and/or locations (10% discount)	£47.70	£47.70	£0.00	0.00%
Category 3 & 4 - Intermediate - wholly or partly within traffic sensitive times and/or locations	£50.00	£50.00	£0.00	0.00%
Category 3 & 4 - Intermediate - wholly outside of traffic sensitive times and/or locations (10% discount)	£45.00	£45.00	£0.00	0.00%
Category 3 & 4 - Variations - wholly or partly within traffic sensitive times and/or locations	£45.00	£45.00	£0.00	0.00%
Category 3 & 4- Variations - wholly outside of traffic sensitive times and/or locations (10% discount)	£45.00	£45.00	£0.00	0.00%
Category 3 & 4 - PAA - Non-traffic Sensitive -Any time or Location	£55.00	£55.00	£0.00	0.00%
Category 3 & 4 - Major (over 10 days and all requiring a TRO) - Non-traffic Sensitive - Any time or location	£91.00	£91.00	£0.00	0.00%
Category 3 & 4 - Major (4 to 10 days) - Non-traffic Sensitive - Any Time or Location	£54.00	£54.00	£0.00	0.00%
Category 3 & 4 - Major (up to 3 days) - Non-traffic Sensitive - Any Time or Location	£27.00	£27.00	£0.00	0.00%
Category 3 & 4 - Standard - Non-traffic Sensitive - Any Time or Location	£54.00	£54.00	£0.00	0.00%
Category 3 & 4 - Minor - Non-traffic Sensitive - Any time or location	£27.00	£27.00	£0.00	0.00%
Category 3 & 4 - Intermediate - Non-traffic Sensitive Any time or Location	£24.00	£24.00	£0.00	0.00%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Category 3 & 4 - Variations - Non-traffic Sensitive - Any Time or Location	£35.00	£35.00	£0.00	0.00%
<b>FPNs - Offence under the New Roads and Street Works Act 1991</b>				
FPNs - An offence under section 54(5).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate		
FPNs - An offence under section 55(5).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate		
FPNs - An offence under section 55(9)(1).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate		
FPNs - An offence under section 57(4).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate		
FPNs - An offence under section 70(6) consisting of a failure to comply with subsection (3) or (4A)(2).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate		
FPNs - An offence created by regulations made under section 74(7B).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate		
FPNs - An offence created by regulations made under section 74A(11).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate		
<b>Community Centres Room Hire (per hour)</b>				
<b>Kings Heath</b>				
Offices 1, 2, and 3 (each)	£16.50	£17.00	£0.50	3.03%
Small Lounge	£16.50	£17.00	£0.50	3.03%
Function Room	£20.90	£21.50	£0.60	2.87%
Kitchen	£16.50	£17.00	£0.50	3.03%
Main Hall	£29.70	£30.50	£0.80	2.69%
<b>Friends Institute</b>				
Offices 1	£15.40	£16.00	£0.60	3.90%
Offices 2 - 6	£16.50	£17.00	£0.50	3.03%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Small Café	£23.10	£24.00	£0.90	3.90%
Small Hall	£15.80	£16.50	£0.70	4.43%
Music Room	£17.60	£18.00	£0.40	2.27%
Main Hall	£31.90	£33.00	£1.10	3.45%
<b>Community Centres Room Hire (per hour)</b>				
<b>Sheldon</b>				
Offices 1 first floor	£16.50	£17.00	£0.50	3.03%
Office 2 first floor	£17.60	£18.00	£0.40	2.27%
Main Hall	£29.70	£30.50	£0.80	2.69%
Training Room/Meeting Room	£23.10	£24.00	£0.90	3.90%
<b>Ladywood</b>				
Sports Hall	£31.90	£33.00	£1.10	3.45%
Lounge	£18.70	£19.50	£0.80	4.28%
Kitchen (Ground Floor)	£16.50	£17.00	£0.50	3.03%
Canteen	£20.90	£21.50	£0.60	2.87%
Boughton Hall	£29.70	£30.50	£0.80	2.69%
Digital Den	£17.60	£18.00	£0.40	2.27%
Workshop	£18.70	£19.50	£0.80	4.28%
Sitting Room	£17.60	£18.00	£0.40	2.27%
Meeting Rooms 4	£15.40	£16.00	£0.60	3.90%
Meeting Rooms 1 -3 (each)	£16.50	£17.00	£0.50	3.03%
Meeting Room 5	£20.90	£21.50	£0.60	2.87%
Kitchen (First Floor)	£16.50	£17.00	£0.50	3.03%
<b>Mere Green</b>				
Room 1	£20.90	£21.50	£0.60	2.87%
Room 2 and 4 (each)	£18.70	£19.50	£0.80	4.28%
Room 3	£25.30	£26.00	£0.70	2.77%
Room 5	£20.90	£21.50	£0.60	2.87%
Bowls Room	£20.90	£21.50	£0.60	2.87%
Main Hall (depending on event)	£27.50	£28.50	£1.00	3.64%
Main Hall (depending on event)	£27.50	£28.50	£1.00	3.64%
Main Hall (depending on event)	£51.50	£53.00	£1.50	2.91%
Hub	£23.10	£24.00	£0.90	3.90%
<b>Wyndley</b>				
Hall	£16.80	£17.50	£0.70	4.17%
<b>Sparkbrook</b>				
Rooms A,	£17.60	£18.00	£0.40	2.27%
Rooms B	£20.90	£21.50	£0.60	2.87%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Rooms C	£18.70	£19.50	£0.80	4.28%
Training Room	£16.50	£17.00	£0.50	3.03%
Meeting Room	£15.40	£16.00	£0.60	3.90%
<b>Oddingley</b>				
Kitchen & Seating Area	£15.40	£16.00	£0.60	3.90%
Office	£15.40	£16.00	£0.60	3.90%
Meeting Room	£17.60	£18.00	£0.40	2.27%
Main Hall	£25.30	£26.00	£0.70	2.77%
Garden	£15.40	£16.00	£0.60	3.90%
<b>Summerfield</b>				
Martial Arts	£16.50	£17.00	£0.50	3.03%
Dance Studio	£18.70	£19.50	£0.80	4.28%
Office	£18.00	£18.50	£0.50	2.78%
Main Hall	£23.10	£24.00	£0.90	3.90%
Sports Hall	£25.30	£26.00	£0.70	2.77%
Classrooms 1 - 3 (each)	£17.60	£18.00	£0.40	2.27%
<b>Summerfield, Ladywood, Kings Heath, Sheldon Heath</b>				
Summerfield MUGA	£10.50	£11.00	£0.50	4.76%
Badminton	£7.20	£7.50	£0.30	4.17%
<b>Community Centres Room Hire (per hour)</b>				
Volleyball	£10.50	£11.00	£0.50	4.76%
Football	£10.50	£11.00	£0.50	4.76%
<b>Stirchley Baths Community Hub</b>				
Main Hall - Weekday Community	£21.00	£23.00	£2.00	9.52%
Main Hall - Weekday Commercial	£36.00	£39.00	£3.00	8.33%
Main Hall - Weekend Community	£26.00	£28.00	£2.00	7.69%
Main Hall - Weekend Commercial	£60.00	£65.00	£5.00	8.33%
Cinema Room - Weekday Community	£18.50	£20.00	£1.50	8.11%
Cinema Room - Weekday Commercial	£30.00	£33.00	£3.00	10.00%
Cinema Room - Weekend Community	£24.00	£26.00	£2.00	8.33%
Cinema Room - Weekend Commercial	£42.00	£46.00	£4.00	9.52%
Children's Parties - Main Hall (2hrs) Weekend only	£60.00	£65.00	£5.00	8.33%
Children's Parties - Cinema Room (2hrs) Weekend only	£42.00	£46.00	£4.00	9.52%
Weddings - Use of Main Hall and Cinema Room - Half Day Weekend Only	£825.00	£900.00	£75.00	9.09%
Deep End Room - Weekday Community	£15.00	£16.50	£1.50	10.00%
Deep End Room - Weekday Commercial	£20.00	£22.00	£2.00	10.00%
Deep End Room - Weekend Community	£22.00	£24.00	£2.00	9.09%
Deep End Room - Weekend Commercial	£28.00	£30.00	£2.00	7.14%
Café Space - Weekday Community	£18.50	£20.00	£1.50	8.11%
Café Space - Weekday Commercial	£30.00	£33.00	£3.00	10.00%
Café Space - Weekend Community	£24.00	£26.00	£2.00	8.33%
Café Space - Weekend Commercial	£42.00	£46.00	£4.00	9.52%
The above room hire rates may be discounted for charitable and not-for-profit organisations offering services to the community. Premiums may be chargeable for out of hours bookings				
<b>Council Management</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
<b>Occupational Health and Safety Services</b>				
Taxi Medicals	£78.00	£81.00	£3.00	3.85%
Taxi DBS Check	£79.00	£81.00	£2.00	2.53%
<b>Education and Skills</b>				
<b>Educational Psychology Service</b>				
<b>SUBSCRIPTIONS</b>				
Subscriptions (36 Hours)	£5,259.45	£5,785.40	£525.95	10.00%
Subscriptions (27 Hours)	£4,038.30	£4,442.13	£403.83	10.00%
Subscriptions (18 hours)	£2,761.50	£3,037.65	£276.15	10.00%
<b>Promotional discounts (e.g. Early Bird)</b>				
Subscriptions (36 Hours) - Promotional Discount	£5,141.85	£5,656.04	£514.19	10.00%
Subscriptions (27 Hours) - Promotional Discount	£3,920.70	£4,312.77	£392.07	10.00%
Subscriptions (18 hours) - Promotional Discount	£2,642.85	£2,907.14	£264.29	10.00%
<b>BESPOKE PACKAGES</b>				
Bespoke Packages - Hourly Charge Rate	£160.65	£176.72	£16.07	10.00%
<b>TRAINING</b>				
Training in 1 school ( <i>Full Day</i> )	£892.50	£981.75	£89.25	10.00%
Training in a group of schools (Full Day) per delegate	£115.50	£127.05	£11.55	10.00%
Centrally held training ( <i>Full Day</i> )	£262.50	£288.75	£26.25	10.00%
Training in 1 school ( <i>Half Day</i> )	£472.50	£519.75	£47.25	10.00%
Training in a group of schools (Half Day) per delegate	£63.00	£69.30	£6.30	10.00%
Centrally held training (Half Day) per delegate	£147.00	£161.70	£14.70	10.00%
Training in 1 school ( <i>Twilight</i> )	£336.00	£369.60	£33.60	10.00%
Training in a group of schools (Twilight) per delegate	£47.25	£51.98	£4.73	10.00%
<b>School &amp; Governors</b>				
Annual SERVICE Offer Subscription (25% discount for federated maintained schools and 5% for schools committing to subscribe for 3 years) (provisional)	£2,205.00	£2,425.50	£220.50	10.00%
Annual TRAINING offer subscription (£150 discount for service offer subscribers) (provisional charge to schools)	£577.50	£635.25	£57.75	10.00%
Governor Training Course Delegate Fee - most courses (£25 discount for service offer subscribers and free for training offer subscribers) (provisional charge to schools)	£89.25	£98.18	£8.93	10.00%
Governor Induction Training Course Delegate Fee (£30 discount for service offer subscribers and free for training offer subscribers) (provisional charge to schools)	£157.50	£173.25	£15.75	10.00%
Bespoke on demand consultancy - per session (pro-rata for shorter sessions & 20% discount to subscribing schools) (provisional charge to schools)	£740.25	£814.28	£74.03	10.00%
<b>Access to Education</b>				
<b>Rates for Training for Birmingham Schools</b>				
Training for Birmingham Schools - Full Day	765.00	841.5	76.50	10.00%
Training for Birmingham Schools - Half Day	395.00	434.5	39.50	10.00%
Training for Birmingham Schools - Twilight	295.00	324.5	29.50	10.00%
<b>Rates for Training provided to schools &amp; settings outside of the authority</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Training provided to schools & settings outside of the authority - Full Day	825.00	907.50	82.50	10.00%
Training provided to schools & settings outside of the authority - Half Day	455.00	495.00	40.00	8.79%
Training provided to schools & settings outside of the authority - Twilight	335.00	370.00	35.00	10.45%
<b>Centre based Courses</b>				
Centre based Courses - Full Day	215.00	236.50	21.50	10.00%
Centre based Courses - 2 Full Days	395.00	434.50	39.50	10.00%
Centre based Courses - Half Day	120.00	132.00	12.00	10.00%
Centre based Seminars by session	42.00	46.00	4.00	9.52%
Centre based Seminars - Hourly Rate	150.00	165.00	15.00	10.00%
PSS Consultancy	£682.50	Service no longer offered		
SEN Review - one day review	1050.00	1155.00	105.00	10.00%
SEN Review - 2 full days (all through schools and schools over number of sites)	1850.00	2035.00	185.00	10.00%
Identification of Dyslexia (for pupil on the Birmingham Pathway) including detailed report and appropriate recommendations to support provision	150.00	165.00	15.00	10.00%
<b>Access to Education</b>				
<b>Dyslexia Specialist Teaching programme for schools</b>				
6 week	1200.00	1320.00	120.00	10.00%
12 week	2100.00	2310.00	210.00	10.00%
<b>Specialist teaching as identified on EHCP funded by SENAR</b>				
<b>Toolkits purchased outside of Birmingham (available to Birmingham schools as DSG funded service)</b>				
Language & Literacy Toolkit or Maths Toolkit	500.00	550.00	50.00	10.00%
Language & Literacy Toolkit or Maths Toolkit	900.00	990.00	90.00	10.00%
<b>Toolkit Progress Tracker (TPT) for schools in and out of area – Language &amp; Literacy</b>				
<b>Toolkit Progress Tracker (TPT) combined L&amp;L and Maths</b>				
Toolkit Progress Tracker (TPT) combined L&L and Maths - With training	470.00	517.00	47.00	10.00%
Toolkit Progress Tracker (TPT) combined L&L and Maths - Without training	350.00	385.00	35.00	10.00%
<b>L&amp;L and maths Toolkit criteria hosted on third party providers e.g. Classroom Monitor, FROG, OTrack, Educater</b>				
<b>Toolkit Renewals:</b>				
Toolkit Renewals - EAL	£84.00	Service no longer offered		
Toolkit Renewals - L&L or maths	100.00	110.00	10.00	10.00%
Toolkit Renewals - L&L maths combined	150.00	165.00	15.00	10.00%
Toolkit Renewals - TPT (L&L only)	175.00	192.50	17.50	10.00%
Toolkit Renewals - L&L and maths	225.00	247.50	22.50	10.00%

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Toolkit Renewals - Train the Trainer	1000.00	1100.00	100.00	10.00%
<b>Intervention Show Cases (Costs to marketplace and not participants)</b>				
Intervention Show Cases - Market stand	125.00	137.50	12.50	10.00%
Intervention Show Cases - Market stand + presentation	200.00	220.00	20.00	10.00%
Intervention Show Cases - ALSA accredited course with Newman University - per participant	£588.00	Service no longer offered		
Intervention Show Cases - National SENCo Award - 40% of course cost per participant;	1020.60	1020.60	0.00	0.00%
<b>On-Line courses via Moodle: sold in multiples of 10</b>				
<b>In Birmingham</b>				
<b>OOA</b>				
<b>Access to Education</b>				
<b>PCR training (two-day course)</b>				
<b>Maximising Impact of Teaching Assistants (MITA accredited)</b>				
Hourly	80.00	100.00	20.00	25.00%
<b>RA provision – equipment hires</b>				
Annually - includes technician support & maintenance	473.00	520.30	47.30	10.00%
<b>The SLAs with RBs – Small Heath and Plantsbrook.</b>				
<b>Specialist support for work-based learning providers (FE work)</b>				
Mild / Moderate Hearing Loss - Assessment, report, recommendations, follow-up visit	600.00	660.00	60.00	10.00%
Severe/Profound Hearing loss - Assessment, report, recommendations, email, and telephone	1500.00	1650.00	150.00	10.00%
Additional visits (each) e.g. Monitoring, support, review with student, staff training	150.00	165.00	15.00	10.00%
Additional report e.g. Report to support request for special arrangement for exams	150.00	165.00	15.00	10.00%
<b>Specific Charges for Communication &amp; Autism Team (CAT) - (prices set in line with AET recommendations – Max 25 on course)</b>				
<b>Access to Education</b>				
CAT AET Training – Setting Based - Autism awareness for out of authority schools	215.00	236.50	21.50	10.00%
CAT AET Training – Setting Based - Tier 2 & 3 for training + £5.50 delegate pack	150.00	165.00	15.00	10.00%
<b>CAT TOP UP</b>				
CAT Buy Back Hourly Rate	150.00	165.00	15.00	10.00%
<b>Education Asset Management</b>				
<b>Academy conversion</b>				
Academy conversion process - lease / Commercial Transfer Agreement (CTA) - Community School	£8,268.75	£9,095.63	826.88	10.00%
Academy conversion process - lease / CTA - Community School - PFI	£16,537.50	£18,191.25	1653.75	10.00%
Academy conversion process - lease of playing field - Voluntary Aided / Foundation	£5,512.50	£6,063.75	551.25	10.00%
Academy conversion process - CTA - Voluntary Controlled	£4,961.25	£5,457.38	496.13	10.00%
Academy conversion process - lease of playing field - Voluntary Controlled	£8,268.75	£9,095.63	826.88	10.00%
<b>Non-Subscription Charge</b>				
Property Audit Visit	£175.35	£192.89	17.54	10.00%
Property Planning Visit	£325.50	£358.05	32.55	10.00%
<b>Subscription Charge - Community &amp; Voluntary Controlled, Academies, Foundation, Voluntary Aided</b>				

Service/ Charge	Charge 2023/24	Proposed Gross charge 2024/25	£ change (24/25 - 23/24)	% Change
Subscription Option 1	£766.50	£843.15	76.65	10.00%
Subscription Option 1 - Additional Charge item - Property Planning Visit (per visit)	£325.50	£358.05	32.55	10.00%
Subscription Option 1 - Additional Charge item - Landlord Approval Process (per application)	£325.50	£358.05	32.55	10.00%
Subscription Option 1 - Additional Charge item - Duty Holder Training (per delegate)	£175.35	£192.89	17.54	10.00%
Subscription Option 1 - Additional Charge item - Asbestos Management Training (per delegate)	£175.35	£192.89	17.54	10.00%
Subscription Option 1 - Additional Charge item - Dual / Match Funding (per application)	£325.50	£358.05	32.55	10.00%
Subscription Option 1 - Additional Charge item - Advice and guidance on lease and tenancy agreements (minimum charge)	£325.50	£358.05	32.55	10.00%
Subscription Option 2	£1,044.75	£1,149.23	104.48	10.00%

## **Birmingham City Council Corporate Equality Impact Assessment:**

**An analysis of Equality Impact Assessments  
undertaken for proposed cost savings where there  
is a citizen impact.**

**Report produced by Insight, Policy & Strategy  
20 February 2024**

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## Executive Summary

### Purpose and scope of this report

In December 2023, the Council put forward budget saving proposals to Cabinet. All directorates have subsequently produced Equality Impact Assessments (EIAs) to assess the impact of these proposals on Birmingham citizens and protected characteristics. This report is based on data extracted from the 84 EIAs completed by Directorates uploaded to the councils SharePoint by 19<sup>th</sup> February 2024.

This document is only a summary and does not replace the individual specific EIAs, which decision-makers must read before making their decision. This is the link to all of the EIAs related to budget saving proposals and will become accessible to the public on publication of the Cabinet Report:

<https://www.birmingham.gov.uk/EqualityImpactAssessments>

The analysis considers the following protected characteristics: Age; Disability; Sex; Gender Reassignment; Marriage & Civil Partnership; Pregnancy & Maternity; Race; Religion & Belief; and Sexual Orientation. From the 84 EIAs reviewed, the most common types of proposals were Amended Services or Amended Functions (each with 39 EIAs marking this as an area affected). The highest number of EIAs submitted by directorate was from City Operations with 48 EIAs. Followed by Adults Social Care (14), City Housing (10), Children and Families (8) and Strategy, Equalities and Partnerships (4).

### Overall Assessment

The analysis of EIAs illustrates the most frequently identified protected characteristics impacted by proposed cost savings are:

- Age (66.7%),
- Disability (63.1%),
- Race (58.3%),
- Sex (40.5%),
- Religion or Belief (39.3%),
- Pregnancy & Maternity (39.3%),
- Sexual orientation (29.8%),
- Gender reassignment (27.4%),
- Marriage or civil partnership (23.8%).

### Assessment of the 12 most significant cost saving proposals

Analysis of the EIAs submitted for the 12 most significant cost saving proposals shows a similar profile:

- the most impacted protected characteristics are Age and Disability with 7 out of the 9 EIAs identifying impacts on these protected characteristics.
- This is followed by Race (6 EIAs identifying impact), Sex, Pregnancy & Maternity, Religion or Belief and Sexual Orientation (each with 4 EIAs identifying impact).
- EIAs for 2 savings proposals identified no impact on protected characteristics.

### Assessment by Directorate

The impact of all savings proposed on protected characteristic by directorate highlights the most protected characteristics affected are Age and Disability for Adult Social Care (11 of the 14 EIAs identifying impact), Children and Families (with all 8 EIAs identifying impact) and Strategy, Equalities and Partnership (2 of the 4 EIAs identifying impact).

City Operations identified Age as the most protected characteristic affected with all 27 EIAs identifying impact. Followed by Disability and Race, both with 24 EIAs identifying impact. For City Housing, all protected characteristics except Religion and Belief were most frequently identified as the most protected characteristics affected with 8 of the 10 EIAs identifying impact.

## Introduction

In December 2023, the Council put forward budget saving proposals to Cabinet. All directorates have subsequently produced Equality Impact Assessments (EIAs) to assess the impact of these proposals on Birmingham citizens and protected characteristics. Based on 84 individual EIAs, this report presents a summary impact assessment for Birmingham.

This report is based on data extracted from the 84 EIAs completed by Directorates uploaded to the councils SharePoint by 19<sup>th</sup> February 2024. All EIAs relating to saving proposals have undergone an internal quality assurance process.

The analysis presents evidence drawn from EIAs of:

- the most impacted protected characteristics as a consequence of cost savings, and,
- mitigations identified.

The report also provides a summary on the Top 12 EIAs which are responsible for the most significant savings proposed.

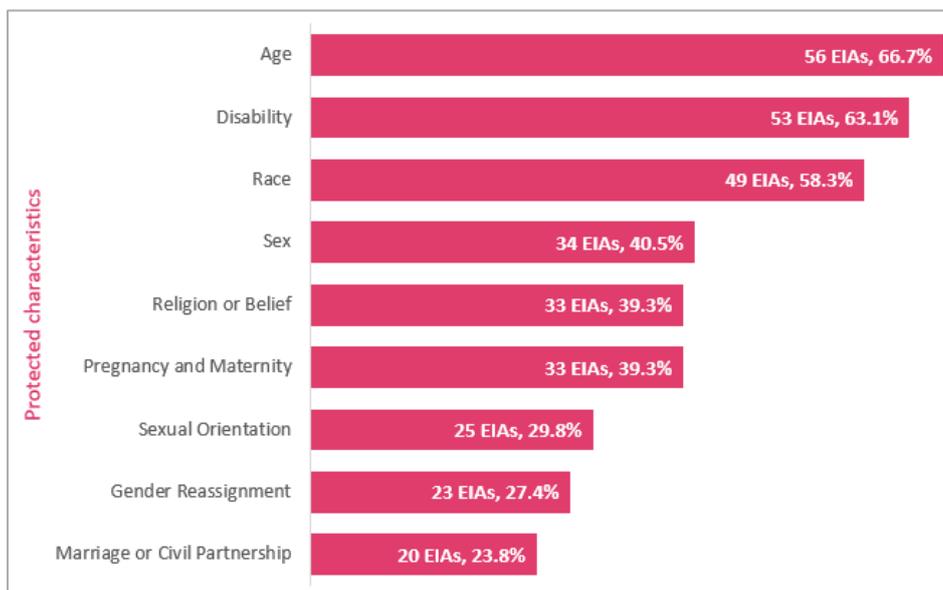
This document is only a summary and does not replace the individual specific EIAs, which decision-makers must read before making their decision.

## The Assessment

A total of 84 EIAs have been submitted (as of 19<sup>th</sup> February 2024) in relation to savings proposed impacting citizens across 5 of the directorates (Adult Social Care, Children and Families, City Housing, City Operations and Strategy, Equality and Partnerships) in Birmingham City Council.

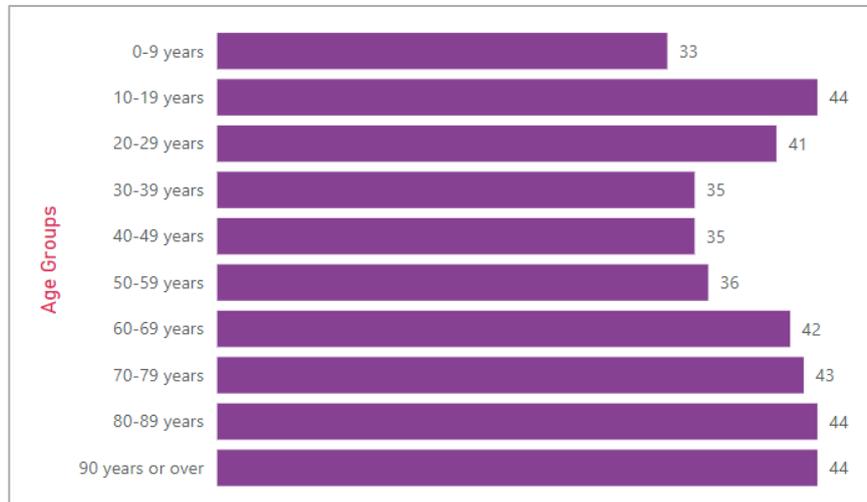
Overall impact on all savings proposed on protected characteristics highlights the main protected characteristic affected is Age (66.7%) with 56 of the 84 EIAs identifying impact. Followed by Disability (63.1%, 53 EIAs identifying impact), Race (58.3%, 49 EIAs identifying impact), Sex (40.5%, 34 EIAs identifying impact), Religion or Belief and Pregnancy and Maternity (39.3%, both with 33 EIAs identifying impact).

Figure 1: Number and percentage of EIAs identifying particular protected characteristics



A breakdown of the Age, Race, Sex, Religion or Belief, Sexual Orientation and Marriage or Civil Partnership protected characteristics groups impacted by the savings proposed demonstrates that the most impacted age groups are the elderly (aged 60 years and above) and young people (aged 10 to 29 years of age).

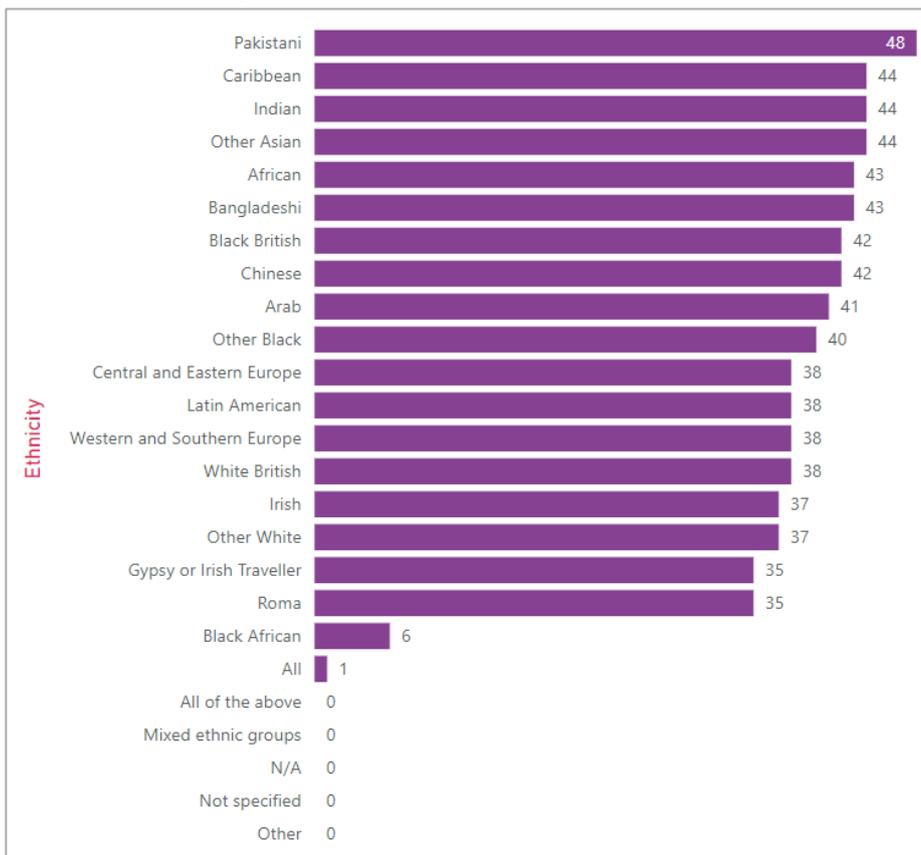
Figure 2: Impacted Age groups identified in EIAs.



The top five ethnic groups impacted by all the savings proposed are of Black and Asian ethnicities:

1. Pakistani (48 EIAs identifying impact),
2. Caribbean, Indian and Other Asian (44 EIAs identifying impact),
3. African and Bangladeshi (43 EIAs identifying impact),
4. Black British and Chinese (42 EIAs identifying impact),
5. Arab (41 EIAs identifying impact).

Figure 3: Impacted Ethnic Groups identified in EIAs.



The Religion or Belief group most impacted is Muslim with 33 EIAs identifying impact. Followed by Buddhist, Hindu and Sikh (all with 30 EIAs identifying impact), and Christian (29 EIAs identifying impact).

Figure 4: Impacted Religion or Belief groups identified in EIAs



The Sex most impacted is Female(s), with 34 EIAs identifying impact.

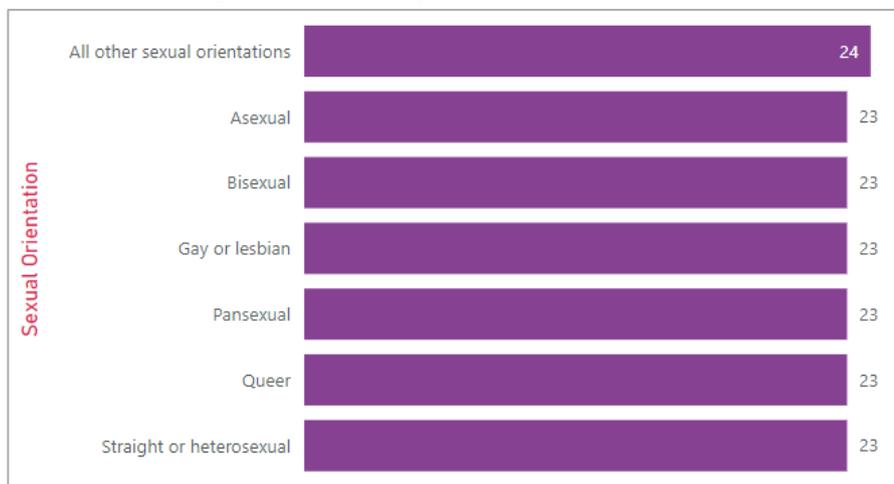


Figure 5: Impacted Sexes identified in EIAs



Of the Sexual Orientation protected characteristic, there is minor difference between the categories when all EIAs are analysed. 24 EIAs identified impact on the 'All other sexual orientations' group. Followed by all other groups (Asexual, Bisexual, Gay or Lesbian, Pansexual, Queer and Straight or Heterosexual) with 23 EIAs identifying impact.

Figure 6: Impacted Sexual Orientation groups sexes identified in EIAs



There is minor difference between categories of marital status when all EIAs are analysed. The highest marital status group impacted were those in a registered civil partnership or married (for both opposite sex and same sex couples) and Single with 19 EIAs identifying impact.

Figure 7: Impacted Marriage or Civil Partnership groups identified in EIAs



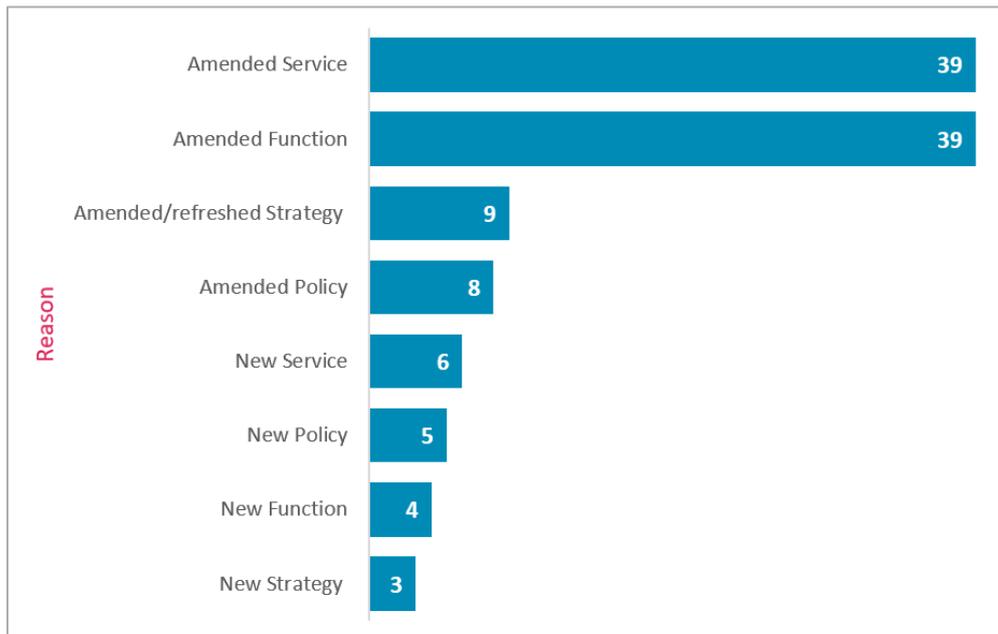
The EIA forms completed do not provide an option to further breakdown Disability, Pregnancy & Maternity and Gender Reassignment protected characteristics into specific groups, therefore further detail on impact against these protected characteristics are unknown.

The EIA form allows directorates to multi select (from a minimum of 1 to a maximum of 4 options) the areas most impacted as a result of the proposed saving identified. The options for selection include Amendment or New Strategy, Policy, Service or Function, defined as:

- **Strategy:** A medium to long term plan and defines the strategic direction of the authority and describes, in broad terms, how the objectives will be achieved.
- **Policy:** Defines a topic or an objective and the plan of action for moving in a certain direction to achieve its objective and is used to guide decisions.
- **Service:** A range of activities and essential functions delivered that involve some interaction with a user (citizen/resident).
- **Function:** A core process or a set of activities carried out within a Service, Division or Directorate.

From the 84 EIAs reviewed, the main area affected due to the proposals are Amended Service or Amended Function, both with 39 EIAs marking this as an area affected. Followed by Amended/refreshed Strategy (with 9 EIAs) and Amended Policy (8 EIAs).

Figure 8: Number of EIAs by reason

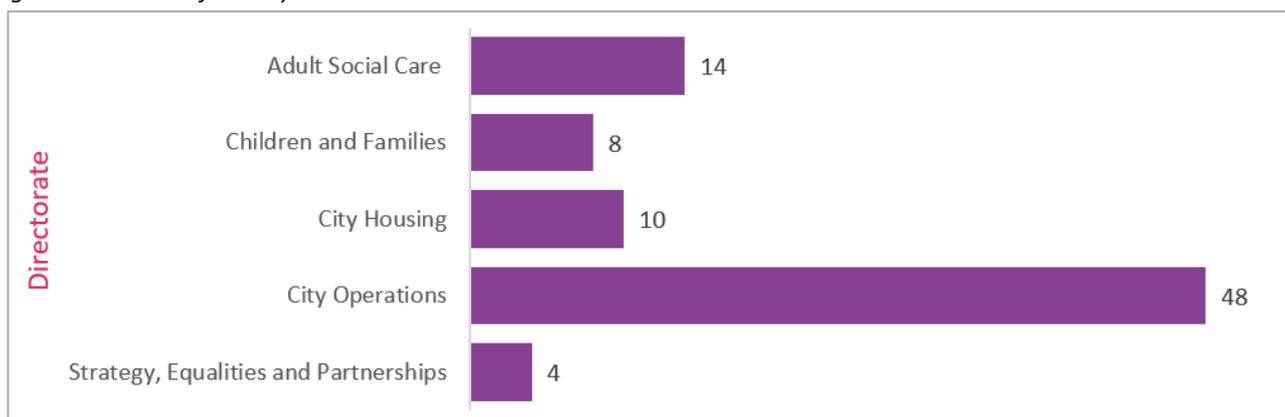


The 84 EIAs submitted were across five directorates (Adult Social Care, Children and Families, City Housing, City Operations and Strategy, Equality and Partnerships).

The highest number of EIAs submitted by directorate was from City Operations with 48 EIAs relating to proposed cost savings. Followed by Adults Social Care (14 EIAs), City Housing (10 EIAs), Children and Families (8 EIAs) and Strategy, Equalities and Partnerships (4).

It should be noted an increased number of EIAs submitted per directorate has no correlation to an increased amount in savings (i.e., the higher the number of EIAs submitted equals a higher amount of savings achieved is a false assumption).

Figure 9: Number of EIAs by Directorate.



The impact of all savings proposed on protected characteristic by directorate highlights the most protected characteristics affected are Age and Disability for Adult Social Care (11 of the 14 EIAs identifying impact), Children and Families (with all 8 EIAs identifying impact) and Strategy, Equalities and Partnership (2 of the 4 EIAs identifying impact).

City Operations identified Age as the most protected characteristics affected with all 27 EIAs identifying impact. Followed by Disability and Race, both with 24 EIAs identifying impact.

For City Housing, all protected characteristics except Religion and Belief were most frequently identified as the most protected characteristics affected with 8 of the 10 EIAs identifying impact.

Table 1: Protected characteristics impacted by Directorate.

Directorate	Protected characteristics									Total EIAs impacted	Total EIAs
	Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation		
Adult Social Care	11	11	9	9	7	9	9	9	9	<b>11</b>	14
Children and Families	8	8	4	2	2	3	7	4	4	<b>8</b>	8
City Housing	8	8	8	8	8	8	8	7	8	<b>8</b>	10
City Operations	27	24	13	4	3	13	24	13	4	<b>31</b>	48
Strategy, Equalities and Partnerships	2	2	0	0	0	0	1	0	0	<b>2</b>	4
<b>TOTAL</b>	<b>56</b>	<b>53</b>	<b>34</b>	<b>23</b>	<b>20</b>	<b>33</b>	<b>49</b>	<b>33</b>	<b>25</b>	<b>60</b>	<b>84</b>

The 'Analysis by Directorate' section of this report provides further detail on the breakdown of protected characteristics impacted and mitigating actions identified by directorate.

## Top 12

Of the 12 EIAs identified with the most significant saving proposals:

- 2 EIA have been removed as they were no longer necessary or required to be reported.
- 1 EIA has been excluded as it relates to staff business plans and will be reviewed as part of a process with Managers and Trade Union Representatives.

The table below provides a summary of the 9 EIAs submitted to date. This analysis illustrates:

- the most impacted protected characteristics are Age and Disability with 7 out of the 9 EIAs identifying impacts on these protected characteristics.
- This is followed by Race (6 EIAs identifying impact), Sex, Pregnancy & Maternity, Religion or Belief and Sexual Orientation (each with 4 EIAs identifying impact).
- EIAs for 2 savings proposals (Review of third sector inflationary uplifts and Maximising Revenue) identified no impact on protected characteristics.

Table 2: Summary of EIAs submitted for most significant savings proposals.

EIA Number	Proposal (EIA Title)		Protected characteristics									
			Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation	
<b>Adult Social Care</b>												
EIA00150	Review Of Care Packages	There is a legal requirement under the Care Act 2014 that all packages of care must be reviewed on a regular basis, regardless of the protected characteristics of citizens or any contributing socio-economic factors. As part of the Adult Social Care (ASC) review process, it is imperative to ensure that the care and support offered, meets the identified assessed needs of individuals.	X	X	X	X	X	X	X	X	X	X



EIA Number	Proposal (EIA Title)		Protected characteristics								
			Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
EIA00166	Review Of Third Sector Inflationary Uplifts	This EIA supports the allocation process for ASC (discretionary) contract inflation funding. ASC contracts attract inflation and whilst some provider contracts include a requirement for ASC to award annual contract inflationary uplifts; the third sector contracts in scope of this proposal, are contracted as fixed (price) and therefore do not mandate ASC to award an annual inflationary uplift to the agreed value stipulated in each contract. This proposal seeks to re-allocate the contract inflationary funding that is apportioned to these base funded third sector contracts towards addressing the savings gap for ASC.									
EIA00152	Maximising Revenue	This EIA relates to the use of external grant funding to generate revenue savings for ASC. It involves replacing existing General Fund resources with alternative funding, with no direct impact on citizens or staff as it will allow current services and support to continue. The 3 specific elements to the proposal are ASC Discharge Fund, Domestic Abuse Grant, and Staffing.									
EIA00167	Review Of Enablement Services	The Specialist Enablement Services within ASC are made up of Learning disability Enablement, Visual Impairment Rehabilitation and Hearing Impairment Rehabilitation. The service provides support in the form of equipment and or techniques to maximise independence. A review of each service function is required to meet the identified savings targets.	X	X	X	X		X	X	X	X
EIA00111	Additional Resource to Increase Existing Collection Of Arrears For Council Tax And Business Rates	The additional staff will undertake the duties to support Revenues Service (billing, collection and enforcement of Council Tax, Business Rates and BID Levy income within Birmingham).	<i>EIA was removed as not necessary.</i>								



EIA Number	Proposal (EIA Title)		Protected characteristics								
			Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
<b>Children and Families</b>											
EIA00163	Children and Young People's Travel Service (CYPTS) Savings – Re-Procurement Framework of Providers	Implementation of an agreed framework for the provision of CYPTS using the open procurement procedure in line with the Public Contracts Regulations (PCR) 2015. The re-procurement will lead to transport providers for some children and young people changing and will improve financial efficiency and deliver savings.	X	X						X	
EIA00165	Cypts Savings – Review Of Non-Statutory Packages (Post 16)	A review of non-statutory transport packages for post-16 young people following a review of the travel assistance policy. This will mean the current service provision for this cohort will be reduced.	X	X						X	
EIA00168	Early Help Contracts for Children, Young People And Families	Currently a family can access a range of interventions to support their needs and prevent escalation into more specialist services. The current proposals are to cease contracts commissioned to provide a range of universal, early intervention and prevention services for children and families and associated services related to Early Help to allow Children and Families to make the savings it is required.	X	X	X	X	X	X	X	X	X
EIA00229	Birmingham Children's Trust	The Trust is required to realise savings of £9.3 million because of the section 114. The Trust is still in the scoping stages of how these savings will be realised. There is a scaled suite of options that could be put into place to realise these savings, with a high likelihood that savings will result in a reduction to services for children, young people and families (whilst maintaining all statutory functions) and staff reductions. Whilst the Trust will do everything in its power to create efficiencies through a range of strategies including increased digitalisation, leaner processes, better use of grant funding, and improved commissioning, there will be a felt impact to Birmingham citizens and Trust staff as a result of these savings.	X	X	X			X	X	X	X

EIA Number	Proposal (EIA Title)		Protected characteristics							
			Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief
<b>City Operations</b>										
EIA00161	Highway Maintenance - Removal of Planned Maintenance Activity	This proposal will see a reduction in the amount of money the Council spends on planned maintenance on highways assets in the city. It refers to work that is agreed in advance with the highways service provider which primarily addresses deterioration in the condition of highway assets including carriageways, footpaths, street lighting, traffic signals and other street furniture.	X	X						
EIA00279			<i>EIA no longer required.</i>							
<b>Place, Prosperity, and Sustainability</b>										
EIA00232	PPS Workforce Savings	Review and re-design PPS directorate service areas / functions, including its service delivery model, with a view to operating with smaller teams / functions to meet the savings target.	<i>EIA excluded as it relates to staff business plans, and will be reviewed by Managers and Trade Union Representatives</i>							
<b>Total EIAs Impacted</b>			<b>7</b>	<b>7</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>6</b>	<b>4</b>



## Analysis by Directorate

The overall directorate analysis below for Adult Social Care, Children and Families and City Operations includes all of the 'Top 12' EIAs with the most significant saving proposals identified. These have been highlighted in bold for ease of identification.

1 EIA from the 'Top 12' (Place, Prosperity and Sustainability Workforce Savings) has not been included in the below directorate analysis as it has no impact to citizens and relates to staff business plans.

### Adult Social Care

14 EIAs have been submitted by Adult Social Care, the majority of which relate to an amended service (8) or amended function (8). 2 are connected to an amended/refreshed strategy and 1 refers to a new service.

Table 3: EIAs submitted by Adult Social Care and impact against the protected characteristics.

EIA Number	Proposal (EIA Title)	Protected characteristics								
		Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
EIA00150	Review Of Care Packages	X	X	X	X	X	X	X	X	X
<b>EIA00152</b>	<b>Maximising Revenue</b>									
<b>EIA00166</b>	<b>Review Of Third Sector Inflationary Uplifts</b>									
<b>EIA00167</b>	<b>Review Of Enablement Services</b>	X	X	X	X		X	X	X	X
<b>EIA00169</b>	<b>Grant Maximisation Via Public Health</b>									
EIA00171	Shared Lives, Expansion Of Service	X	X	X	X		X	X	X	X
EIA00174	Day Opportunities	X	X	X	X	X	X	X	X	X
EIA00184	Training, Learning And Development Service Review	X	X							
EIA00213	Review Of Social Work Teams	X	X	X	X	X	X	X	X	X
EIA00218	Review And Recommission Third Sector Contracts	X	X	X	X	X	X	X	X	X
EIA00240	Review Of Bharosa	X	X	X	X	X	X	X	X	X
EIA00288	Family Group Conferencing	X	X							
EIA00346	Transformation Approach To Combine Libraries And Neighbourhood Advice And Information Services Using A 'Community Living Room' Concept	X	X	X	X	X	X	X	X	X
EIA00355	Benefits Advice Team Decommission	X	X	X	X	X	X	X	X	X
<b>Total EIAs impacted</b>		<b>11</b>	<b>11</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>

## Protected Characteristics Impacted

The protected characteristics most frequently identified in EIAs are Age and Disability (each are identified in 11 of the 14 EIAs). Sex, Gender Reassignment, Pregnancy & Maternity, Race, Religion & Belief and Sexual Orientation (each identified in 9 of 14 EIAs).

Specific emphasis has been drawn within the EIAs on the nature of the impact on particular groups:

### Age:

- Whilst all age groups will be impacted, specific age groups identified are 18-34, 35-44 and 45+.
- There is also one proposal that will affect 14–25-year-olds with some form of vulnerability (learning disability/physical disability/mental health issues/issues pertaining to trauma). I.e., for EIA00288, there would be a negative impact in terms of quality and success of prevention services and the younger people being able to move into adulthood without reliance on more intensive services.
- 49% of citizens currently accessing the enablement services are aged over 65. There is a risk that they may not be able to access these services in the community.
- Expansion of Shared Lives will cater for those adults who are older and currently living with older parents/carers who do not want their loved ones to move into residential care. This will allow citizens to stay in their community with someone looking after them, giving them a sense of security.
- The new Day Centres offer will appeal to young people aged 18-30 through digital inclusion, training and employment opportunities.
- Training for non-statutory care provision requirements could be reviewed. This is normally delivered to staff, providers, citizens, and carers (formal and informal).
- Most of the citizens in receipt of adult social care services are 45+ with a large proportion (23%) within the age bracket 75-84. A potential increase in waiting lists for referrals and reviews will impact this age group. The increased waiting time could lead to a further deterioration in individuals' physical disabilities. Cases deemed as moderate could become acute.
- Existing library users could find that their local library provision is moved to a different location increasing travel distance and people who are on low incomes may not have the means to afford travel. For example, pensioners who have less income could be disadvantaged. Primary-aged children will potentially be impacted if their local ward library, which they made school trips to, is closed. Schools may not have the funds to provide coaches or other transport to other wards.
- If the change to the libraries budget is adopted and the proposal for implementation of that reduced budget is adopted (subject to consultation) rather than any alternative, then the library provision would change from 35 community Libraries to a minimum of 11 'Community Living Room' concept sites, there will be a reduced statutory site footprint. Potentially, less capacity to circulate books into the concept of 'Community Living Room' provision or a dependency on community-led Libraries to maintain the space to store books, meaning the range of books on offer as part of the library catalogue may be reduced. This potentially will affect both adult's and children's book ranges on offer. There will be fewer PCs for people to access. This will potentially affect certain age groups for example those under 25's and NEETs who benefit from using the free Wi-Fi and facilities. It could also potentially affect older people who don't have the facilities (PC and Wi-Fi) or skills and need advice and support to access the PC.

### Disability:

- Those with learning disabilities, physical disabilities, visual impairment and mental health issues are likely to be impacted.
- In order to access enablement services, the criteria for referral includes having a learning disability, visual impairment and or hearing impairment. There is a risk that these groups they may not be able to access these services in the community.



- Training for non-statutory care provision requirements could be reviewed. This is normally delivered to staff, providers, citizens and carers (formal and informal). The citizens supported will all have disabilities, for which they require some support.
- Promotion of Day Opportunities offer will be inclusive to those with a physical disability and younger people with learning and physical disabilities.
- There might be an increase in waiting time in assessing/reviewing citizens with physical disabilities, this can lead to a potential impact on mental and physical health and an overall deterioration in the health of individuals.
- The vulnerable adults' services are contracted to support adults that have co-dependant mental health risk factors - any changes to the budget for VA1 will impact all service users with a co-dependant mental health risk factor, alongside risk of homelessness, substance use and offending history.
- 40% of citizens using NAIS registered a disability (albeit there was a large number of blanks in the data) The overall impact is believed to be positive, and the future model will be Disability Discrimination Act compliant by design. If a Library closes in a ward and the 'Community Living Room' concept hub in their constituency requires greater travel, this potentially could affect disabled groups on low incomes. Fewer PCs could similarly affect those who rely on the free Wi-Fi and PC facilities.
- If library provision is moved to a different location, disabled people may be more impacted if they have less income as they may not have the means to pay for increased travel. Disabled people and those with mental health conditions, and physical and learning disabilities, rely on the support, familiarity, and assistance of local library staff who they have been going to for many years.
- Disabled people have a higher proportion of health risk factors than those without disabilities.

**Gender reassignment:**

- There is a higher prevalence of mental health problems in young trans people aged 16-25 compared to trans adults and trans children. Trans people have higher rates of self-reported disability (33%) and poorer health than LGB people (14%).
- The reduction in library service provision means that there will potentially be less capacity for activities and groups that can take place in 'Community Living Room' concept sites. This means that activity will need to be prioritised based on ward needs and groups with smaller representations such as transgender may be neglected.

**Marriage or civil partnership:**

- The majority of our citizens who access Day Opportunities are single, so the directorate will ensure that citizens, who are in a relationship, are able to access the same centre by modernising the offer.
- Individuals in relationships where their partner has caring needs will be impacted. A potential delay in assessments, can lead to deterioration of health for partners with caring needs. It can also have a socio-economic impact.

**Pregnancy:**

- With regard to pregnancy, maternity and parent and toddler groups may use the library space to connect and seek support from one another. If local ward library provision closes, potentially parents may have further to travel to the nearest 'Community Living room' concept hub. Parents on maternity leave or choosing to be stay-at-home parents potentially may not have the means to travel to 'Community Living Rooms' which may be further away than their current local library provision. The reduced range of books on offer could affect pregnant women wanting to access books on maternity care.



**Sex:**

- Domestic abuse victims from the South Asian community will be affected (as a result of 1 proposal – EIA00240). Without the Bharosa service being delivered in house, South Asian women and girls may not be able to access these services in the community. This may result in citizens being less likely to be able to identify the signs of domestic violence in a relationship due to lack of education should the service no longer be provided.
- BCC domestic abuse presentation data shows that there are higher rates of domestic abuse presentation in some wards of the city, alongside numbers of children who are the subject of care proceedings because of domestic abuse. The majority of victims are women and their children. Libraries may have been a safe space for women and children to spend time; therefore, closure of a local ward library may potentially provide fewer places for victims to seek help. Single-parent families, particularly women, who have caring responsibilities will be impacted as they won't have the financial resources to travel to other parts of the constituency if their ward library is closed.

**Race:**

- White, Black, Asian and mixed ethnic backgrounds will be mostly impacted.
- 60.7% of those accessing Shared Lives are White, the impact of this work may be to increase the numbers of citizens from Black and Minority Ethnic Groups accessing Shared lives. The potential to grow the service would offer opportunities to target communities with few carers and subsequently to match those under-represented in the statistics i.e., catering for a more diverse demographic. This would have a positive impact on the lives of citizens as the service would cater to a wider cultural need of citizens, making the services even more personalised.
- 55.5% of citizens accessing Day Opportunities are White. The transformation offer will appeal to communities across our diverse city by opening day centres at evenings and weekends. It could be particularly appealing to those members of the community who are cared for as part of an extended family, for example citizens from the Asian community.
- With regard to social work, the largest proportion of service users are White, with the second largest cohort belonging to those identifying as British Asian/Asian, the potential delay in assessment/service will have an impact on the quality of life of citizens.
- People with a learning disability from Black, South Asian heritage and minority ethnic backgrounds face shorter life expectancy triggered by poorer healthcare access, experience and outcomes. There is a possibility that without the specialist enablement services being delivered in house citizens may not be able to access these services in the community.
- There may be a potential impact for groups where there is a language barrier, or newly arrived groups, who have been accessing the library to connect. They may not understand that the library service is closing and therefore not know where other hubs are located or how to access services. The reduced range of books will potentially affect communities and ethnicity where English is not the first language if books in different languages are reduced. Lack of computers could also potentially affect ethnic groups where people come to gain computer and IT skills.

**Religion:**

- 35.5% of the citizens currently accessing Shared Lives are Christian. The impact of growing the service may facilitate targeted marketing, which should attract citizens from a broad section of faiths to access the service.
- Although just under half of citizens are Christian, there are activities within the centres which celebrate all faiths and religions. The enhanced offer at the centres which will include opening the centres in the evenings and at weekends will enable citizens to access religious activities or services. For example, Muslim citizens may leave centres on Friday at lunchtime to attend prayers. The new service offer would enable them to return following prayers as the centre will still be open.



- The ward identified for the concept of 'Community Living Room' may have a predominantly different religious or belief demographic from the previous library site where potentially, people may feel uncomfortable or unsafe traveling to. The reduced range of books may affect certain religions or cultures that are not as predominant in the concept of 'Community Living Room's wards.

For EIA00150, all protected characteristics may be affected but there will be no direct impact/minimal impact as care packages will be reviewed to ensure individual needs are being met.

For EIA00167, there is a possibility that without the specialist enablement services being delivered in house, all protected characteristics (excluding marriage or civil partnership) may be impacted<sup>1</sup>.

For EIA00171, the potential growing of the service will support with long-term planning for care of adults with all protected characteristics (excluding marriage or civil partnership) in order to meet their needs. This will be positive<sup>2</sup>.

For EIA00174, the service offer will be increased to meet the needs of all protected characteristics, for example through digital inclusion, training and employment opportunities and by opening centres in the evenings and on weekends. This will be a positive impact<sup>3</sup>.

For EIA00218, the vulnerable adults services are contracted to support all citizens so any changes to the budget for VA1 will impact all service users.

For EIA00284, the impact on all protected characteristics is believed to be positive, in that the co-location of the council's resources into community living rooms will enable longer opening hours. There will be an increase from the current 2 main NAIS walk-in sites to a minimum of 11 which will include both walk in and appointments. An increased mobile offer, co-locations, community led provision and promotion of the virtual library will enable greater accessibility for all protected characteristics. Through the co-location of specialist agencies and income maximisation, information advice, guidance and connections provided will support the improved health and wellbeing through pregnancy, maternity through to parenthood. There will also be a connection to domestic abuse support services and to the network of Family Hubs that is evolving in the city. A potential negative impact is that library provision is likely to have a reduced site footprint as a combination with NAIS will mean a review of physical space will need to occur and library users could find that their local library provision is moved to a different location, increasing the distance to travel to one.

For EIA00355, if the Benefits Advice Team is abolished, this will impact all protected characteristics, but there is better evidence for some groups. A high level of applicants are of pension age (in receipt of pension credit, Attendance Allowance or SRP) as well as working age (UC/PIP/ESA). A high level of applicants are also in receipt of Carers Allowances, PIP/DLA /ESA or Attendance Allowance. These benefits are associated with disability and incapacity. Therefore, an inference can realistically be drawn that people with a disability are likely to be impacted by the removal of this function.

With regard to EIA00355, overall, the potential impact is believed to be positive, in that the co-location of the council's resources, into a minimum of 11 Libraries - 'Community Living Room' concepts, increases the NAIS footprint across the city, and will enable longer opening hours, where residents are able to help themselves, with a little navigational support. There will however also be negative impacts which have been detailed for the protected characteristics above.

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<sup>1</sup> Particular impacts on protected characteristics have been noted above where there is sufficient data.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

EIAs for three costs savings state no impact on specific protected characteristics (Maximising revenue; Review of third sector inflationary uplifts; Grant maximisation via Public Health).

### Mitigating Actions Identified

The following mitigations outlined in EIAs include (but not limited to): strengthening first point of contact (advice and referral) and signposting citizens to community provisions/assets and support groups (with required expertise), training staff on social exclusion and bias, carrying out needs assessments, making use of existing services and external providers, revising contract requirements, reviewing EIAs subject to changes and public consultations (involving stakeholders, third sector and citizens), reviewing data captured where information about identity of users is unknown.

For EIA00288 the directorate will ensure young people are in receipt of adult Care Act support plan (if they meet the eligibility) or are receiving support from Preparing For Adulthood services (PFA) if they meet PFA criterion.

With regard to EIA00213, the directorate will continue to implement trusted assessor initiatives by the Occupational Therapy service across community assets allowing citizens to obtain minor adaptations and equipment without going through social service's waiting lists, avoiding their physical disabilities from further deteriorating whilst waiting for a social work assessment. The directorate will look to create pathways with NHS partners and GP surgeries who can provide support in reviewing the health needs of older adults.

In relation to EIA00218, in addition to some of the aforementioned mitigations, prevention services will be recommissioned at a lower budget, providers will need to undertake an annual EIA and assessment of the pathway into and out of their service involving stakeholders, citizens, and referral agencies in order to improve access and address any gaps and inequality of access.

For EIA00240, there are a variety of options which would need to be considered internally and externally for citizens requiring education and support when suffering from domestic violence.

For EIA00355, there is no comprehensive data available from the application/visiting process; unless a full impact assessment is carried out for this characteristic, we cannot identify specific mitigation for specific individuals/requirements. However, there is a general level of mitigation if the role and services provided by the Benefits advice team is delivered by other organisations such as CAB, DWP, Debt advice services, financial institutions, landlords, family members or carers, or self-assistance via online platforms. Signposting can also be used to mitigate the impact / decommissioning of the Benefit Advice Team.

For EIA00355, there will be an enhanced early help and support offer to residents alongside the universal offer of "things to do, and places to be", enabling young families to connect to a range of support and activities such as Story Time, and cultural events, to support working-age adults and young people into paid work, as well as social connection for those vulnerable due to age and vulnerability.

Primary schools in the city will have access to the core library offered within a reasonable distance, either through the increased mobile library provision, promotion of the virtual library, community library or library services at home.

By offering a mixed model approach we will be reaching a wider age demographic, by offering the 'concept of Community Living Room' hubs, together with the increased mobile offer visiting more wards across the city,



by seeking colocation, community-led sites and an improved virtual library hub that can be accessed by all age groups.

Any potential gaps in book and PC provision will be identified and work undertaken within the local area to identify community partners and locations suitable to offer core library services, ensuring adequate access to services. Two of the proposed 'Community Living Room' concepts are in the top 3 NEET areas in Birmingham.

There will be a larger team working in the libraries operating as 'Community Living Room' hubs. Staff will be trained to provide strengths-based targeted support to build people's resilience for example in digital inclusion or accessing services and community assets. Staff will enable people to self-service more effectively on the kiosks and access the library catalogue and will also connect them to community activity if social isolation is the reason for coming to the library space.

Support from citizen groups such as the vulnerable adult's citizens panel can act as a sounding board for the proposals and co-design and can contribute to the consultation and engagement.

There can be proactive contact and input from local Members and information can be shared with Members regularly about the library operations. This will entail establishing platforms for Members (sounding boards) to share their opinions and feedback.

Where possible the new service delivery will seek to capture improved data on the concept of 'Community Living Room' hubs usage, by installing footfall counters at each site. We also plan to improve demographic information held on library membership cards. Where possible, the new service delivery model will seek to capture diversity data on who is accessing or not accessing the services; this will form part of the quarterly performance monitoring so that mitigations can be put in place. There will also be an expectation that community-led provision will provide similar data.

With regard to disability, reducing the number of sites, whilst increasing the numbers of staff on site will enable staff to provide a bespoke service to regular local customers for example printing large print for dyslexic customers. Accessibility will be improved through investment in the concept of 'Community Living Room' hubs for example taking into account break-out space for our neurodiverse community and ensuring that the space, signage and facilities are planned with a neurodiverse perspective, taking on the advice of experts through experience. Support from citizen groups such as the vulnerable adults citizens panel, which represent lived experience (working-age disabled adults, mental health, substance misuse, domestic abuse, history of offending and neurodiversity). The mobile offer will also be expanded to include homes and money support for vulnerable citizens and their carers.

Through our partner agencies there is an opportunity to co-locate specialist support resources including for victims of domestic abuse, as well as information, health and wellbeing resources for single working age men experiencing isolation.

We will continue to educate staff and our partners in relation to the trans community and will build upon links in the wider community to enable connection to community services and support groups with expertise in gender reassignment.

The intention is that through the co-location of specialist agencies and income maximisation, information advice, guidance and connections provided will support improved health and well-being through pregnancy, maternity through to parenthood. There will also be a connection between domestic abuse support services and the Network of Family Hubs that is evolving in the city. Where there is current provision for new mothers

and babies through informal group meetings within libraries, we will undertake targeted engagement as part of the consultation process for the proposed delivery model to ensure that their needs and requirements are built in. Work will also be gathered on other pregnancy and maternity services where local community assets could be connected within the community living room constituency.

Staff will be familiar with their local communities and can help with cultural queries or support those whose English is not their first language. Early Intervention and Prevention have developed a cultural competency Framework that will be embedded within the future service model. Using ward profile data on the community, work will be done to ensure the mixed model approach reflects the ethnic and racial needs of the community. More opportunities will be given to reach all ethnic and racial groups in a range of languages. Staff will also connect them to community activity if community connection is the reason for coming to the library space. Birmingham is a majority-minority city, so the proposed delivery model for each of the 'Community Living Room' concepts will be responsive to the needs and aspirations of the local population. Data from the City Observatory and current service utilisation data alongside co-design opportunities with local residents will help shape the service offers. By seeking colocation, community-led sites and improved virtual library hubs can be accessed by in a range of religious groups in Birmingham.



## Children and Families

8 EIAs have been submitted by the Children and Families Directorate, the majority of which relate to an amended service (6), amended policy (1) amended function (1) amended/refreshed strategy (1) and 1 refers to a new service.

Table 4: EIAs submitted by Children and Families and impact against the protected characteristics.

EIA Number	Proposal (EIA Title)	Protected characteristics								
		Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
EIA00163	Cypts Savings – Re-Procurement Framework Of Providers	X	X					X		
EIA00165	Cypts Savings – Review Of Non-Statutory Packages (Post 16)	X	X					X		
EIA00168	Early Help Contracts For Children, Young People And Families	X	X	X	X	X	X	X	X	X
EIA00229	Birmingham Children’s Trust	X	X	X		X	X	X	X	X
EIA00372	Young People’s Service Redesign: BCC Youth Service; Careers Service; and 14 – 19 Participation and Skills and services to address youth violence	X	X	X			X	X	X	X
EIA00293	Children & Young Peoples' Travel Service (Cypts) Savings - Independent Travel Training Programme	X	X	X	X			X	X	X
EIA00299	Children & Young Peoples' Travel Service Savings - Review Of Travel Packages	X	X							
EIA00332	Children & Young Peoples' Travel Service (Cypts) Savings - Review Of Bus Passes	X	X					X		
<b>Total EIAs impacted</b>		<b>8</b>	<b>8</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>7</b>	<b>4</b>	<b>4</b>

### Protected Characteristics Impacted

The protected characteristics most frequently identified in EIAs are Age and Disability with 8 EIAs identifying impacts on these protected characteristics. After Race (7 EIAs identifying impact), Sex, Religion & Belief and Sexual Orientation will be affected (with 4 EIAs identifying impact).

Specific emphasis has been drawn within the EIAs on the nature of the impact on particular groups:

#### Age:

Proposals identified children and young people aged 0-19 (and up to the age of 25 for those with SEND) and their families. Specific age groups identified that will be impacted were:

- People 24+ who are in parenting/caring roles or supporting children and young people due to reduced early support.

- 6 to 17-year-olds and their family/parental unit mostly aged 30 to 47 (classified as vulnerable children and families in acute stress/difficulties at home) accessing preventative service (including young parents as well as those who may be young parents with disabilities). Any cuts in preventative and non-statutory support services are likely to lead to more referrals to higher tier or more intensive services at a later stage (i.e., statutory intervention), as difficulties in the family home are not resolved at the earliest opportunity. This could lead to increased numbers of child protection plans and increased number of children entering care at a later stage due to cuts in funding being likely to produce a reduction in preventative services. Statutory intervention in the long-term is more costly than utilising preventative services.
- Teenage mothers/pregnant mothers under the age of 18.
- Young people accessing youth services. The core target age group for this service is 13 to 19 with 69% of the young people supported coming from this age group, including those with SEND.
- 10 to 17-year-olds in receipt of youth offending services.
- Children and young people with SEND who are provided with travel assistance and their families who will need to support their children's travel to and from educational settings, impacting:
  - small proportion of pre-school aged children (under 5) and those aged 5 to 16 years.
  - Children aged 8 years and older currently receiving bus passes who live fewer than 3 miles from their school will not be eligible for a bus pass.
  - Young people who are attending post-16 education will not be eligible for bus passes.
  - Children and young people aged 5 to 16 living in temporary accommodation who live fewer than 3 miles from their school will not get a bus pass.

**Disability:**

- The majority of young people who receive transport support do so as a result of their special educational needs and disability (SEND). Pupils who have an EHCP may not have the independence skills to access public transport and may require additional support from parents/carers. Therefore, individuals with a known disability in receipt of the travel service offer whose travel arrangements will change may be affected. This would likely mainly affect those with autism spectrum disorder.
- One proposal, EIA000293 (Children & Young Peoples' Travel Service (CYPTS) Savings - Independent Travel Training Programme), states a positive impact on children and young people with SEND who are engaged on the programme by helping individuals gain confidence and life skills to enable safe independent travel.
- The national data above indicates that it's likely that young people with a disability are more likely to experience unemployment or become NEET. The 14 to 19 service does capture some information about young people who have a SEND or SEND support. Of the NEET cohort they target 4,369 have support for SEND and 1459 have EHCP which will be impacted.

**Sex:**

- Youth Offending Services see 90% young males so cuts to services would have a more detrimental impact on them.
- There is a greater proportion of women (57.3%) accessing Early Help service compared to men (41.2%) which will lead to impacts on women. For example, female domestic abuse is one of the many reasons families will be involved with children's social care, and family breakups traditionally result in mothers as the main carer in single parent households.
- The Travel Programme (EIA00293) may impact children and young people where the child/young person can only be allocated a specific gender independent travel trainer.

**Gender reassignment:**

- There could be a potential impact on the safety of younger people who are transitioning due to societal prejudices that many Trans people face. Public transport has had serious issues around the

safety of Trans people and therefore it might impact the individual's ability to attend educational venues, etc.

#### **Marriage and Civil Partnership:**

- Single parent families may have difficulties linked to the causes of being a single-parent family and are known to the Trust (e.g., domestic abuse, parental death).

#### **Pregnancy and Maternity:**

- Reduction in Early Help services could adversely impact teenage mothers. They are less likely to finish their education, are more likely to bring up their child alone, live in poverty and have poorer mental health when compared to older mothers. Children, young people, and families known to the Trust where pregnancy/maternity plays a role are likely to be affected.

#### **Race:**

- Young people from Black, Asian, and other global majority groups are more likely to be impacted and part of more vulnerable cohorts of young people - more likely to be involved in serious youth violence (67%), be subject to exploitation (67%), be unemployed in adulthood, or receive travel support due to disabilities. There are also gendered differences.
- The highest share of children who use Birmingham Children's Trust services are of White and Mixed heritage, so any cuts would adversely affect these ethnicities. Reductions in service may also increase the risk of children and young people who are already at risk of being undetected (e.g., Asian) not being supported by the Trust. In relation to Early Help, identification of those ethnicities of significant impact will be of White British (30.7%); Asian/Asian British- Pakistani (15.8%); and Black/Black British-African (6.6%) ethnicity.

#### **Religion or Belief:**

- The review of bus passes (EIA00298) will impact children and young people who attend a Faith School based on their religious beliefs should they no longer meet the distance eligibility.

### **Mitigating Actions Identified**

Mitigations aim to (but not limited to) prioritise support for the most vulnerable young people and those that the council has a statutory duty to support. The following mitigations outlined in EIAs include: reviewing options such as community asset transfers to credible voluntary sector partners; joining up and consolidating our local Youth Offer; retention of some service areas through charging/levy could also be considered. A redesigned service will need to have a strong focus on statutory duties the council has in relation to identifying and supporting young people into education and employment. It will be important to: ensure young people with SEND are engaged with and taking part in training and education; target interventions for young women living in high-risk or deprived areas; and work with partners to ensure young parents are well supported by the range of services that could be helpful.

For proposals relating to EIA00163, EIA00165, EIA00299 and EIA00332 (relating to children and young people's travel service) identified the following mitigations:

- transport operators offering 'meet and greets' with the child/young person and their parents/carers and the passenger assistant and monitoring take up as mitigating actions.
- Families impacted will have an option to appeal.
- Appeals will be reviewed in line with the revised travel assistance policy, and the process will be monitored and tracked to understand the impact on families with protected characteristics.
- Providing bus passes or financial support towards travel costs for those who meet the eligibility criteria. Independent Travel Training to students identified as suitable for this additional support.

- Signposting parents to support from other agencies and discuss alternative options.

With regards to EIA000293 (Children & Young Peoples' Travel Service (CYPTS) Savings - Independent Travel Training Programme), mitigations include working collaboratively with schools and parents/carers prior to the child/young person starting the programme, ensuring that they are ready to join, and providing additional support where needed. Identification of needs during initial referral stage and engagement with schools and parent/carers. No student to be signed off if not deemed reasonably safe, etc.

Two proposals relating to children social care (EIA00229: Birmingham Children's Trust and EIA00168: Early Help), mitigating actions identified were: working proactively with the strategic partners that form Birmingham's Children & Young People's Partnership, taking a whole system approach to the reduction of Council funding especially in respect of Early Help and youth provision. Maximising resources of other partners and working together to identify children, young people and families that may be particularly adversely affected.

A re-designed Early Help offer provided by the Birmingham Children's Trust, focusing on prioritising support to those localities and families where vulnerabilities (including SEND/disability) are most acute was identified in mitigation. Signposting families and redirecting users. Enabling current providers to close services safely, through a managed transition period made possible through repurposed Public Health grant funding. Joining up the offer with Adult Social Care.



## City Housing

10 EIAs have been submitted by City Housing, most of which relate to an amended/refreshed strategy (6), followed by an amended service (3), new policy (1) and new function (1).

Table 5: EIAs submitted by City Housing and impact against the protected characteristics.

EIA Number	Proposal (EIA Title)	Protected characteristics								
		Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
EIA00192	Temporary Accommodation - Debt Management & Provision	X	X	X	X	X	X	X		X
EIA00263	Temporary Accommodation Investment Strategy: Delays In Increasing Staffing Capacity.	X	X	X	X	X	X	X	X	X
EIA00273	Homeless Centre Financing Change									
EIA00301	Housing Solutions And Support Service Establishment Reduction	X	X	X	X	X	X	X	X	X
EIA00304	Property Acquisition Programme-Hra	X	X	X	X	X	X	X	X	X
EIA00306	Public Health Grant Funding									
EIA00319	B&B Unit Cost Negotiation	X	X	X	X	X	X	X	X	X
EIA00322	Homeless Centre - Service Charge Increases To Full Cost Recovery	X	X	X	X	X	X	X	X	X
EIA00341	Temporary Accommodation Investment Strategy - Delays To Landlords Incentives	X	X	X	X	X	X	X	X	X
EIA00353	Shelforce Surplus	X	X	X	X	X	X	X	X	X
<b>Total EIAs impacted</b>		<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>8</b>

### Protected Characteristics Impacted

The protected characteristics most frequently identified in EIAs are Age, Disability, Sex, Race, Sexual Orientation, Gender Reassignment, Marriage & Civil Partnership, and Pregnancy & Maternity (8 of 10 EIAs identifying impacts on these protected characteristics).

Specific emphasis has been drawn within the EIAs on the nature of the impact on particular groups:

- **Age:** those between 20 and 49 years of age will be most affected. Most households in temporary accommodation have dependent children who will also be impacted. If displaced, households with children may have to travel further to reach schools and children's education could be impacted.
- **Disability:** in terms of particularly types, it is identified that those with learning disabilities and autism are overrepresented in homeless populations. Homeless applicants with disabilities encounter significant challenges in finding suitable accommodation, largely due to a scarcity of accessible housing. The nature of the disability often dictates the extent of these challenges. The difficulty is further exacerbated within the private rented sector, where many landlords are reluctant to

structurally modify their properties to accommodate these needs. Homeless applicants with disabilities may therefore find it takes longer to resolve their homelessness via the private sector route. Certain disabilities, such as mental health conditions, could be exacerbated through relocation to unfamiliar and faraway locations, potentially having a detrimental impact on health and wellbeing if they are unable to attend appointments.

- **Sex:** women are overrepresented in temporary accommodation. It is also known that females in BCC temporary accommodation are likely to be single parents with children and that one of the highest reasons for homelessness is domestic abuse. For individuals fleeing DV, or single parents with children who wish to prevent their homelessness and secure a property in the private rented sector, rather than being placed in temporary accommodation for long periods of time, there may be fewer properties available. Relocation to unfamiliar or distant parts of the city could have a positive impact for those fleeing DV as it may distance them from the locality their abuser resides in. However, single parents with children may experience an additional pressure of managing the logistics of getting to work, school and childcare arrangements without additional support.
- **Marriage and Civil Partnership:** largest group in temporary accommodation consists of single parents (35%).
- **Pregnancy and Maternity:** stress in pregnancy can adversely affect both the baby's growth and future development and frequent moves can lead to broken relationships with health professionals. Displacement arising from relocation could lead to a disruption to the continuity of maternity care provided by the NHS. Women may have to travel further for antenatal appointments or transfer care to another NHS provider if placed in TA outside of the city.
- **Race and Religion or Belief:** based on service data, Pakistani, White, and African groups are more likely to present as homeless, complete homelessness assessments and be placed in temporary accommodation. They may find themselves relocated to unfamiliar areas or outside of the city in localities where they are underrepresented and distanced from any community support networks, family, or friends. Data for 2022-23 showed 48% of those in TA had come through a migration route into the UK. Minority groups and people with religious beliefs are more likely to experience discrimination, harassment, or abuse in housing. Refugees, migrants, and individuals where English is a second language may experience difficulties in accessing services and understanding processes due to language barriers.
- **Gender reassignment and Sexual orientation:** according to Stonewall research, 25% of trans people have experienced homelessness and one in five LGBTQA+ people have experienced homelessness. Similar to gender reassignment, homeless applicants that fall under this characteristic may face a higher likelihood of discrimination or harassment. This could present further obstacles in their efforts to resolve their homelessness, particularly when seeking accommodation in the private rented sector as these individuals may prefer to stay within proximity to their support networks as a safety measure, further reducing the options.

Across the EIAs, all of the impacts on the above protected characteristics will be similar if not the same. For EIA00263, EIA00301 and EIA00304:

- Those needing assistance on the day they become homeless may experience longer wait times before they are attended to and those who give advance notice may face extended wait times for pre-booked appointments, limiting the prevention of homelessness (EIA00301).
- Displacement arising from relocation could distance service users from their support networks. Employed individuals might face extended commutes. Similarly, if these households rely on public transport, they could incur additional costs.



- The transfer from B&B into more suitable TA will take longer.
- Increased number of households living in B&B and households residing in TA for longer periods of time (EIA00304).
- Reduced capacity will make it challenging to maintain the current level of assistance to service users, i.e., helping them find and move into secure accommodation and ensuring they possess the necessary skills to sustain their tenancies and break the cycle of repeat homelessness. As a result, they may find they are placed in temporary accommodation for longer lengths of time. There's a risk that citizens may accrue arrears or debt due to the reduced capacity to address rent issues promptly.
- These factors could potentially have a detrimental effect on their health and wellbeing.

For EIA00192, there will be a positive Impact, owing to new policy around debt provision, alongside increased effectiveness of income team due to closer working with central income team, and better benefits advice will help to prevent the risk of households accruing rent arrears through improved benefit advice. Similarly, for EIA00319, there will be a positive impact as this proposal will help the service to procure B&B accommodation at cost within city limits, ensuring better value for money.

For EIA00322 an increase in service charges may have a financial impact on residents who have been placed in temporary accommodation within homeless centres provided by Birmingham City Council.

For EIA00353, there will be a positive impact on all the protected characteristics. Investment in new machinery will allow the Asset Management Service to improve the quality, warmth and safety of tenants' homes quicker. The new windows will be more energy efficient, reducing the cost of bills for tenants, and will help to improve security. Tenants who are elderly and pregnant may be more vulnerable due to factors such as reduced mobility. The new fire doors will help with both security and protection from fire, therefore allowing more time to escape in the event of a fire. Children who may not understand how to react in the event of a fire will also have additional time to be evacuated or rescued.

For EIA00341, there will be a reduction in the amount of incentive that can be offered to private rented landlords, making it more difficult to source private rented accommodation for homeless households. Homeless applicants wanting to resolve their homelessness by using the option of securing a property via the private rented sector route may find that there are fewer properties available. They will still be able to continue to bid for properties via a choice-based allocations scheme but may find that it takes longer to resolve their homelessness. Where they have been placed in temporary accommodation (TA) service users may find that their stay in TA is prolonged. Similar to cost savings at the beginning of this section, people may find themselves placed in TA in unfamiliar parts of the city or even outside the city limits, giving rise to impacts already mentioned.

EIAs for two cost savings state no impact to any of the protected characteristics (Homeless Centre Financing and Public Health Grant Funding).

### **Mitigating Actions Identified**

For proposals EIA00301, EIA00263 and EIA00270 (which relate to support service reduction, delays in increasing staffing capacity and delays to landlord incentives) the following general mitigations include (but are not limited to):

- The service will continue to triage and assess urgent need for service users who approach us on the day and offer pre-booked appointments where appropriate to minimise wait times. For service users that are placed in temporary accommodation, any vulnerabilities or needs of service users will be considered when assigning them temporary accommodation (EIA00301).

- Continuing some temporary capacity as part of the Temporary Accommodation Strategy resource investment to help: a) reduce the number of households in B&B, b) reduce the time spent by households in B&B and, c) increase the quality of temporary accommodation.
- Reducing the use of B&B and improving standards, i.e., the commencement of using Regulation 10 to contract for emergency temporary accommodation; the launch of the B&B Standards; the ongoing work of the Accommodation Finding Team; the use of Direct Lets for those stuck and in exceptional need in TA; and increase use of stock as Dispersed Temporary Accommodation.
- The service will also continue to build on existing partnership working arrangements with the Children's Trust, Adult Social Care, Early Intervention and Prevention service, Public Health, NHS midwifery team, voluntary sector working with those in temporary accommodation and other relevant partners.

EIA00304 (property acquisition) will include the mitigations above but also states that the service will work with partners to appraise a range of options for seeking to replace the loss of ongoing acquisitions. The options being investigated include utilising any HRA underspend; the seeking and utilisation of government grant; the creation of supported exempt family temporary accommodation; securing alternate capital investment with leasing options; creating a vehicle for BCC to undertake longer-term leasing of homes; and utilisation of assets including land to leverage supply.

There are also mitigations for specific protected characteristics. The dedicated housing solution for young people 18-25 will continue, as will delivery of statutory duty around suitability of temporary accommodation and supporting households with disabilities within temporary accommodation. There will be a tailored housing solution offer for victims of domestic abuse. The service will provide training around inclusivity and unconscious bias in relation to gender reassignment and sexual orientation and will continue to ensure its commissioning and partners are committed to EBEB. The service will work with WMCA and HW research around learning to tackle race and inequalities in homelessness. In addition, City Housing will work with the refugee and migrant team for EIP to support households who have come through a refugee and migrant route and will use interpreting services to ensure households in temporary accommodation understand homeless process.

For proposal EIA00322 (service charge for homeless centre) mitigation will entail sending a written notification of the increase to all residents, giving residents adequate notice. Letters will include information on how/where to seek financial advice and assistance. The homeless centres are manned by officers between the hours of 8:00 and 21:00, who will communicate the increase in service charge to residents and offer benefit maximisation support.

For EIA00319, there will be a positive impact as this proposal will help the service to procure B&B accommodation at cost within city limits, ensuring better value for money.



## City Operations

48 EIAs have been submitted by City Operations, most of which refer to an amended function (28), followed by an amended service (20), amended policy (7), new policy (4), new strategy (3), new function (3) and new service (3).

Table 6: EIAs submitted by City Operations and impact against the protected characteristics.

EIA Number	Proposal (EIA Title)	Protected characteristics								
		Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
EIA00136	Savings Proposal: Property Licensing - Utilisation Of Internal Services									
EIA00138	Env' Health And Trading Standards Public Health Funding Non- Statutory Work									
EIA00147	Increase Admission Charges At Birmingham Wildlife Park									
EIA00159	Cease The Ranger Patrol Service							X		
<b>EIA00161</b>	<b>Highway Maintenance - Removal Of Planned Maintenance Activity</b>	X	X							
EIA00162	Additional Garden Waste Income And Fee Increase	X								
EIA00224	Savings Proposals: Property Licensing - Investment Of Enforcement Penalties									
EIA00225	Release Service Prudential Borrowing Identified For Alexander Stadium									
EIA00227	Pest Control - Introduction Of A Contributory Charge For Rat Treatments	X	X					X		
EIA00230	Savings Proposals: Property Licensing - Administrative Overhead And Absorption Rate									
EIA00235	Additional Bulky Waste Income And Price Increase	X	X				X	X		
EIA00253	Future Operating Model Of Alexander Stadium									
EIA00254	Cease Non-Statutory Love Your Street Activities	X	X	X			X	X		
EIA00258	Increased Income From Commercial Events (Ref 57)									
EIA00266	Reduction In Programmed Flood Risk Management And Maintenance Activity Of £50K Savings Per Annum.	X	X	X			X	X	X	
EIA00271	Community Centres - Cease Direct Management (By 2025/26)	X	X				X	X		
EIA00276	Reduce Graffiti Crews	X	X					X	X	
EIA00278	Budget Savings - 155 Allocation Of Public Health Funding To Support Community Safety									
EIA00282	Consolidate Enforcement Into A Centre Of Expertise									

EIA Number	Proposal (EIA Title)	Protected characteristics								
		Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
EIA00294	Introduction Of Parking Charges At Sutton Park	X	X	X				X	X	
EIA00295	Introduction Of Parking Charges At Lickey Hills Country Park	X	X	X				X	X	
EIA00296	Introduction Of Parking Charges At Sheldon Country Park	X	X	X				X	X	
EIA00297	New Roads & Street Works Permit Team (Nrswa Permit Team), Specified Licences And Footway Crossings Functions									
EIA00300	Budget Savings - 154 Resilience Team Stop Payments To Local Resilience Forum And Volunteers									
EIA00305	Reduction In Neighbourhood Enforcement	X	X	X			X	X	X	
EIA00307	Removal Of The Waste Prevention Service	X	X	X			X	X	X	
EIA00314	Measures Implemented To Deliver A Profit Share For Birmingham Community Leisure Trust Leisure Centre Contract	X	X	X			X	X	X	
EIA00315	Cease Sport Development Function - Delete The Two Posts Currently Within This Area	X	X	X			X	X	X	
EIA00317	Increase Of Birmingham City Council's Bereavement Services Fees And Charges 2024/25	X								
EIA00318	Cease Local Welfare Provision Scheme	X	X	X	X	X	X	X	X	X
EIA00321	Cut Major Events Budget Grant For Birmingham International Dance Festival	X	X					X		
EIA00324	Proposal To Align Events & City Centre Teams – Refocus On Contracted And Commercial Events							X		
EIA00333	Film Birmingham Service To Become Cost Neutral	X								
EIA00334	Cease Arts Commissioning And Local Arts Development Funding	X	X					X		
EIA00335	Cut Tourism Grants Budget By £0.025M		X							
EIA00336	Review Of Local Engineering Service With Highways And Infrastructure	X	X							
EIA00337	Funding School Crossing Patrols From Clean Air Zone Budget	X								
EIA00338	Reduction In Streetlighting Levels Across The City To Reduce Energy Consumption	X	X	X	X	X	X	X	X	X
EIA00340	Leisure Fees & Charges Increase By 5%									
EIA00342	Internal Leisure Breakeven									
EIA00343	Reduction Of The Birmingham City Council Grant Given To The Active Wellbeing Society (Taws).	X	X	X	X		X	X	X	X
EIA00344	Budget Savings - 49 Community Safety Team	X	X	X	X	X	X	X	X	X

EIA Number	Proposal (EIA Title)	Protected characteristics								
		Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
EIA00345	Reduction In Cultural Grants To Arts Organisations	X	X					X		
EIA00349	Move To Fortnightly Residual Waste (Non-Recyclable) Collection And Amend Early Starts	X	X				X	X		
EIA00350	Cease Neighbourhood Based Community Work Support And Cease The Non-Statutory Functions With The Neighbourhood Development And Support Unit									
EIA00351	Budget Reduction Proposal - Reduction Of Ward Forum Meetings Across The 69 Wards In The City									
EIA00352	Proposed Budget Reduction - Cease Neighbourhood Action Co-Ordination Pilot Programme In 22 Wards And Do Not Roll Out Citywide To Remaining Wards							X		
EIA00354	Neighbourhood Development And Support Unit (Ndsu) Proposed Management Restructure									
<b>Total EIAs impacted</b>		<b>27</b>	<b>24</b>	<b>13</b>	<b>4</b>	<b>3</b>	<b>13</b>	<b>24</b>	<b>13</b>	<b>4</b>

### Protected Characteristics Impacted

The protected characteristics most frequently identified in EIAs is Age with 27 EIAs identifying impacts against these protected characteristics, followed by Disability and Race (both with 24 EIAs identifying impact). Sex, Pregnancy & Maternity and Religion & Belief were identified to be affected across 13 EIAs.

Of the protected characteristics identified to be impacted, specific emphasis has been drawn within the EIAs on the following groups:

#### Age and/or Disability:

- Younger people, older people and those with disabilities face an increased impact in areas such as: increased risk of trips and slips due to footpath deterioration.
- Increased levels of waste on the street and less enforcement officers. This could impact those who have (age-related) mobility issues, visual impairment as well as students living in some parts of the city.
- A reduction in street scene quality due to reduced enforcement and engagement will impact residents of all ages due to increased waste on the street giving rise to trip hazards, presence of hazardous waste (asbestos/insulating materials) and could also lead to increased incidences of burning which causes a risk.
- A large majority (3x) of the work conducted by the Waste Prevention Team is within Bournbrook and Selly Park, areas of the city with increased student population due to proximity to UoB. The impact is around risk to health with an increase of waste in the environment meaning increased exposure to biological hazards. Less guidance and education around waste presentation, segregation and recycling will mean that the transient population of students will be adversely affected due to

number of residents that are unlikely to be familiar with Birmingham city council's services. There is also the risk of exposure to harmful agents amongst vulnerable residents as a result of disability.

- Officers of the waste prevention team signpost users that are unable to present their bins correctly due to disability to an assisted collection program; these residents may not get the help required without the waste prevention officers.
- Disabled people with limited mobility may not be able to get rid of bulky waste themselves or present bins correctly without assistance; similarly elderly people may not be able to get rid of bulky waste due to low income.
- It is likely that those with physical disabilities and the elderly with limited mobility are more likely not to be able to self-treat rodent problems, meaning that they will have to incur the cost.
- Flood risk will impact those with limited movement, those with physical/mental disability or long-term illness and those who may have particular difficulties being able to respond to and mitigate against flood risk.
- Younger people (10-19) are likely to be impacted as the Community Safety Partnership has a priority to reduce serious youth violence. Racist and offensive graffiti in place for any length of time may have an impact on young people, older people and those with neurodiverse symptoms. This can also be seen as gang-related tagging for the younger. Additionally, people with disabilities will be affected due to their disabilities and in certain cases, reliance on the perpetrator (who are in most cases also the carer) limiting availability to report.
- Younger people, older people and those with disabilities will have reduced access to community facilities, local facilities, sports and leisure schemes, stay and plays and arts organisations impacting mental, social, and physical wellbeing. Limited access to services may also arise from increasing cost. For example, car park charging schemes which may reduce access to parks and those with disabilities may have to travel further or pay more to do so. They may also be financially affected arising from disbanding of the Local Welfare Scheme, which receives more applications from those who experience mental health issues.
- Reduction in dance engagement activity will impact priority groups targeted through learning and participation. These include: young dancers, both disabled and non-disabled; school participants; adults; community-based dance groups; and low-engaged communities. Previous evaluation shows that of the 23,000 target audience, 44% of spectators were Birmingham residents and 65% were under the age of 44. The ages affected depend on the many different activities that each organisation offers annually such as choral groups for older people or drama sessions for young people. We do not yet know the specific impact, including to disabilities, until organisations have been formally informed about the cuts and agreed with their Board (and other funders) what activities will have to cease but in general, reduced funding will directly result on less programme offer to the community at large.
- Lack of funding to support other organisations to deliver training and skills development programmes such as the recent Film & TV Production trainee apprenticeship programme will impact those age 10 to 39.
- Cuts to the Tourism grant (EIA00335) could impact those with a disability. For example, the visitor destination plan project focuses on improving 'accessible tourism' initiatives, as well as practices amongst venues/service providers across the city including awareness raising around disability needs, better marketing & promotion of services.
- As a result of the car park charging scheme in Sutton, Lickey Hills and Sheldon Parks, those aged 10 and above and older citizens may be adversely disadvantaged, especially those from low-income households.
- It is more likely that a deceased person will be within an older adult age group. Whilst many older people will make provision for their funeral in advance, the increase in the fee will affect relatives who pay for the funeral of the deceased. These relatives are likely to be 50 years and older for the majority of bereavements.



**Sex:**

- Impacts are identified in relation to women. This includes Increased vulnerability to violence, as cuts to community safety initiatives and support services may increase the risk of violence against women and girls, especially victims of domestic abuse as data informs, they are more likely to reach out to a non-police service. This will also impact on sex workers, which are mainly female but also young males.
- For women and girls, there was also the risk of reduced access to services and opportunities. For example, the reduction in programs offered by TAWS for girls and women will limit their access to physical activity and mental wellbeing improvement.
- Cuts to community support services may leave women, particularly primary caregivers, with fewer resources and increased burdens. For example, females are still recognised in society as the main care-givers and stay within the family home (and may have been involved in LYS), so increased waste in the environment (health impacts around exposure to agents, trip hazards, exposure to hazardous waste/needles etc. when navigating with pushchairs/small children) and a lack of support in accessing services to assist with the correct disposal of waste may more acutely impact females. They may also be financially affected by disbanding of the Local Welfare Scheme, which receives more applicants from females.

**Pregnancy and Maternity:**

- More waste on the streets due to reduced services could mean increased health risks, including exposure to hazardous waste and trip hazards.
- Pregnant people are recognised as being at increased risk when exposed to biological agents in hazard group 2, 3 or 4 as categorised by the Advisory Committee on dangerous Pathogens. Street litter may contain contaminants from discarded drug paraphernalia or vaping containers, potentially harmful if ingested and could prove harmful to unborn children.
- Heavily pregnant residents may struggle with the manual handling of larger or heavier bins. Pregnant residents may not be able to use bulky waste collection services due to lifting limitations.
- Pregnant women and families with young children may have limited mobility and difficulty responding to flooding, increasing their vulnerability during flash floods.
- Cuts to community support services and reduced street lighting could increase risks for people in abusive relationships, including pregnant women.
- Work across the third sector like Woman's Aid and performance data form West Midlands Police, indicates that women who are pregnant are at higher risk of violence from their partner.

**Race:**

- The representation of Asian and Black ethnic groups is higher than the Birmingham average within the wards most utilising the waste prevention service and neighbourhood (waste) enforcement officers. The impact will be on risk to health and reduction in amenity of the area caused by a reduction in street scene quality linked with increased waste in the environment and prevalence of environmental crime due to reduce education/engagement of residents.
- Minority ethnic groups will be affected as they live with multiple generations. Waste may exceed bin capacities with a move to fortnightly collections, as some of them consume more fresh food which generates additional organic waste.
- Residents living in areas of high occupancy or areas of high deprivation could have issues with financing a bulky waste collection due to limited funds. Rodents are also likely to be prevalent in these areas due to poor housing. This will be exacerbated with the removal of the waste prevention service.
- The loss of community facilities that offer opportunities for affordable physical activity, leisure and learning, and welfare services such as food banks may therefore impact people with this protected characteristic.



- Cuts to arts organisations grants will likely reduce the ability to deliver cultural engagement activity projects to different ethnic groups and communities. For example, Legacy Centre of Excellence is based in Aston serving that community and wider Black and Asian communities in particular. Sampad is a South Asian Dance Agency but serves all communities. There are also activities such as a large-scale outdoor programme in Handsworth Park, with micro commissions, relevant to the local communities. The funding cut directly correlates to a reduction in dance engagement activity for this protected characteristic provided in the lead up to and during the BDF.
- The budget reduction may also limit the council's events related to basketball and kabaddi; these sports have strong followings and participation amongst Black and Asian communities.
- A significant number of the 22 wards in the programme have a higher percentage of Black and Asian citizens in the ward - which are also some of the most deprived wards across the city. As the programme specifically aims to mobilise and empower local ward residents, community groups, stakeholders and partners to take action on local priorities to benefit their ward, it is logical to pre-suppose that many of the individuals and community groups will represent multi-ethnic groups.
- Tackling hate crime including racism is a priority for the Community Safety Partnership so there is likely to be a greater impact on citizens from a Black, Asian and ethnic minority community.

#### **Religion and Belief:**

- Waste prevention services and neighbourhood (waste) enforcement officers generally target areas with higher-than-average concentration of Muslim and Christian residents; hence a reduction in this service could impact on these communities. There is an increased risk to health and amenity of the area with less capacity to prevent waste crime, which may lead to increased waste in the environment and misuse or lack of use of council services.
- Tackling hate crime is a priority for the Community Safety Partnership so there is likely to be a greater impact on citizens from a Jewish and Muslim background given the rise in Islamophobic and anti-Semitic hate crimes.

#### **Sexual orientation:**

- Tackling hate crime towards the LGBTQ+ community is a priority for the Community Safety Partnership so there is likely to be a greater impact on the LGBTQ+ community.

#### **Gender reassignment:**

- Following national conversations with regards to people's choice to use non binary and gender reassignment, police data shows an increase in hate crime related to these identities. Working within this community we know there is a lack of willingness to report to the police. It is therefore important we can make available a non-criminal outlet where people do not feel judged and are therefore willing to report and talk to us so that we can either use our civil powers to enforce or ensure we put measures in place to minimise the impact within the communities. However, we must have the resources available engage meaningfully.

#### **Marriage and Civil Partnership**

- Domestic abuse is a priority for the Community Safety Partnership so there is likely to be an impact on citizens in abusive relationships.

There are some EIAs where all protected characteristics will be affected. For example, EIA00318. For EIA00315 and EIA00314 all protected characteristics will be affected except for gender reassignment, marriage or civil partnership and sexual orientation.

In relation to proposal EIA00315 (cease sport development function - delete the two posts currently within this area), any reduction in the sport development service leads to a risk that in less projects and programmes being delivered by the council and will therefore have a negative impact upon all individuals



who wish to participate in sports activities within Birmingham. This will result in a decline in physical activity resulting in a decline in physical and mental wellbeing which in turn will put additional strain on health services across the city.

For EIA30014 (measures implemented to deliver a profit share for Birmingham Community Leisure Trust leisure centre contract), whilst the measures to improve the financial position of the contract with BCLT have not yet been agreed and confirmed, it is unclear what the impacts on protected characteristics will be.

For EIA00334 (ceasing arts commissioning and local arts development funding), all age groups, ethnicities and those with disabilities will potentially be affected by cuts to arts grants and cultural project grants as the funding cuts will significantly decrease the number of projects and engagement activities on offer to the population. Funded projects are expected to be co-designed with the age groups selected by the arts applicant so can be varied. Grants are awarded to Birmingham-based arts organisations which are expected to co-design engagement activity with residents; this could include people with disabilities, those who are from an ethnic background or arts activities for children and young people who don't ordinarily participate in arts activities (outside of education).

In 2022-23, there were over thirty different creative projects happening across twenty-five city wards, reaching thousands of Birmingham residents, through participation and as audiences. Projects can be mothers and babies making new music together; migrant communities creating theatre; young people from across the city producing films about roller skating, mental health and autism; isolated older people being invited to dance; and community choirs creating a celebratory space where vulnerable people feel safe and included.

With regards to EIA00338 (reduction in streetlighting levels across the city to reduce energy consumption), all protected characteristics will be impacted. There may be an increase in the perceived fear of crime amongst the elderly, children and people with disabilities as a consequence of a reduction in streetlighting levels across the city. There may also be an increase in the perceived fear that highways, footway and cycle-tracks will be harder to navigate, but evidence suggests that this would not be the case. There may be a perceived fear of risk to personal safety amongst young women and pregnant women and perceived increase in criminal activity from certain groups, for example gangs of young males. Similarly, there may be an increase in the perceived fear of an increase in crime, harassment, (threats) of violence amongst people because of their non-binary identity, race, religion, sexual orientation, gender reassignment (including people who are proposing to undergo/are undergoing the process), and people who are in same sex marriages or civil partnerships.

For EIA00343 (reduction of the Birmingham City Council Grant given to The Active Wellbeing Society (TAWS), all protected characteristics except marriage and civil partnership will be impacted as programmes would stop or reduce due to a reduction in funding. This will mean a reduction in the number of activities that TAWS puts on for individuals with a disability; programmes for girls and women; programmes for all communities where deprivation is high and physical activity within ethnic groups is low; and targeted intervention programmes to improve health and wellbeing.

In relation to EIA00294, EIA00295, EIA00296 (relating to car parking charges at Sutton Park, Lickey Hills and Sheldon Park) the protected characteristics affected would be Age, Sex, Ethnicity and Religion as there is a risk that residents may adversely be disadvantaged by the charging policy, especially those from low-income households. This is based on an issue raised in the public consultation for a similar project at Cannon Hill Park in 2017.

EIAs for 18 cost savings state no impact to any of the protected characteristics (Savings Proposal: Property Licensing - Utilisation Of Internal Services; Env' Health And Trading Standards Public Health Funding Non-Statutory Work; Cease Bank Holiday Collection; Increase Admission Charges At Birmingham Wildlife Park; Savings Proposals: Property Licensing - Investment Of Enforcement Penalties; Release Service Prudential Borrowing Identified For Alexander Stadium; Savings Proposals: Property Licensing - Administrative Overhead And Absorption Rate; Future Operating Model Of Alexander Stadium; Increased Income From Commercial Events; Budget Savings - 155 Allocation Of Public Health Funding To Support Community Safety; Consolidate Enforcement Into A Centre Of Expertise; New Roads & Street Works Permit Team (Nrswa Permit Team), Specified Licences And Footway Crossings Functions; Budget Savings - 154 Resilience Team Stop Payments To Local Resilience Forum And Volunteers; Leisure Fees & Charges Increase By 5%; Internal Leisure Breakeven; Cease Neighbourhood Based Community Work Support And Cease The Non-Statutory Functions With The Neighbourhood Development And Support Unit; Budget Reduction Proposal - Reduction Of Ward Forum Meetings Across The 69 Wards In The City; Neighbourhood Development And Support Unit (Ndsu) Proposed Management Restructure).

### Mitigating Actions Identified

For proposals EIA00162, EIA00349, EIA00307, EIA00235 and EIA00254 (which relate to waste, cleanliness and street scene), mitigations included (but are not limited to):

- Capacity of the bins to be reassessed (for both residual waste and recycling) and consideration will be given to increasing recycling bin capacity to allow for more recycling to take place. Provision for weekly food waste collection to reduce the amounts of organic waste within the bins. Citizens will be encouraged to compost garden waste at home.
- Using intelligence to identify where there is a need to revert to weekly collections (where fortnightly collections is not an option), and regularly monitoring the reports of fly tipping in the affected wards and the levels of compliance with interventions. This will allow officers to prioritise areas where there is a need for the waste enforcement unit. For example, tasking of various officers to redirect their enforcement, education or cleansing efforts to areas where we see a downward trend in street scene condition (upward trend in reports of fly tipping, requests for street cleansing, councillor engagement, waste crime, higher risk activities (deposited hazardous waste), burning of waste, etc.). There will be modelling to identify and prioritise the remaining resources (officer time) to be targeted to such offending.
- Staff being provided with training within the waste management service to identify problem areas/where there is waste on the street, for example using digital devices.
- Redesign of the street cleansing service which will allow for the LYS service to continue to a lesser degree and will be monitored to highlight where resources are to be deployed to. LYS service will continue to offer tools and equipment to residents, local groups and friends of parks. The service will continue to offer a waste collection service and pick up any waste derived from community events.
- For women who are heavily pregnant and home alone, short-term assisted collection will be offered to support with any manual handling issues until the pregnancy is over.
- Use technology to identify those residents who may not be presenting waste and providing assistance for collections where required. Any resident who has an assisted collection from the service is given one free bulky collection per year to help remove bulky waste that they may not be able to dispose of due to infirmity.

- There is also the new Private Lettings team which will work to ensure that private landlords in the area provide more support to residents with regard to many issues, including waste presentation.
- There is ongoing work to bring a Public Space Protection Order which will mitigate impact by containing its own educational aspect.

For EIA00227 (Pest Control - Introduction of a contributory charge for rat treatments), the treatment costs are being kept to a contributory cost of £24 rather than a full cost which would likely to be £60 to £100.

For EIA00276 (Reduce graffiti crews), racist or offensive graffiti will be cleared within 24 hours. Other non-offensive graffiti will continue to be managed to ensure that the shortest timeline for removal is achieved.

In relation to proposals EIA000161 and EIA00266 (relating to highways and infrastructure), reactive repairs would continue to be made against dangerous defects in line with statutory obligations. Prioritisation of maintenance will be focused on very high-risk assets. Stakeholder consultation and feedback on impact of initiatives will be sought, in addition to other funding/grant arrangements to help Flood Action Groups and Community Groups to help mitigate against flood risk.

For EIA00338 (reduction in streetlighting), feedback on the impact of the initiative will be closely monitored through City Ops Highways and Community Safety services and interaction with West Midlands Police. Should specific issues or trends be identified via this monitoring work, changes to the lighting levels in specific locations will be reviewed.

For proposals in EIA00315 and EIA00343 (relating to Health and Wellbeing), programmes delivered by partner and third sector organisations will continue to be supported. The Sport Service will continue to support delivery of sport development programmes by organisations such as The Active Wellbeing Society, Sport Birmingham, Sport England and National Governing Bodies of sport and will continue to monitor impact as part of the whole system approach to sport delivery, implementing place-based programme of interventions. For EIA00314, the directorate will work closely with their contracting partner under the guidance of the contract and service specification to minimise impact as far as possible. BCLT will be further supported and encouraged to expand their offer and programme to mitigate for any impact. A full review and full EIA will be submitted when measures have been agreed in 2024.

For EIA00271 (Community Centres - Cease Direct Management (by 2025/26)), the Council will seek to transfer the Community Assets to third parties but if this is not possible then alternative disposal routes may be pursued which may mean closure of facilities.

For proposals EIA00294, EIA00295 and EIA00296 (relating to parks), an annual season ticket option will be offered for the benefit of regular park users. Park users/citizens will be asked for their opinions on a suitable pricing structure and feedback will be sought on the cost of a season ticket through the forthcoming public consultation. Parking charging period will end at 5pm meaning evening parking will remain free (the benefits of which will be felt most in the summer months). Reviews of the car park charging scheme will take place post-implementation to ensure the effectiveness of the mitigation measures.

In EIA00352 (Neighbourhood Action Co-ordination - cease the 22 ward pilot programme and do not roll out citywide to remaining wards), it is proposed for the whole programme to cease and therefore very difficult to identify any mitigations. Adverse impact, comments and discussions may be brought forward at regular ward forum meetings with local councillors (as per the Constitution) which can be monitored by the NDSU.

Proposals EIA0036 and EIA00344, (relating to community safety and neighbourhoods) included mitigations of optimising further partner resource, contribution, and leadership and monitoring impact closely within partnership governance structures; and consulting and engaging with colleagues, members, stakeholders, partners, and residents on initiatives.

For proposals EIA00345, EIA00333, EIA00334 and EIA00335 (relating to the culture and arts industry), support will be offered by signposting arts and culture organisations to alternative (including external) funding streams. There will be ongoing dialogue with the film & TV sector including the regional agency Create Central and with cultural industries colleagues at WMCA. There will be meetings with the Culture Central on a regular basis including establishing the Birmingham Culture Compact (the new city cultural stakeholder partnership). Service officers also regularly meet No.11 Arts (a city-wide arts producer network) and will be meeting individual arts organisations seeking guidance and advice throughout the year.

The existing project is being funded through Shared Prosperity Funding. It is likely that further SPF funding to continue/develop the project will be available in 2024/25. Otherwise, we will encourage providers to continue to improve their services to people with disabilities.

For EIA00324 (aligning events and city centre teams) the team will look to bring in lower cost events or/and support kabaddi and basketball through other funding streams. The current basketball event and kabaddi have limited spectators. The city council is already investing in basketball courts and is part of a regional submission to host the kabaddi world cup, both of which would mitigate impact. For EIA00321 (International Dance Festival), alternative funding to keep Birmingham Festival alive will be sought. Any future festival will incorporate a dance element (including engagement from young people aged 0-19) and people from an ethnic background who are engaged as performers, participants and audiences.

EIA00342 (Internal Leisure Breakeven) The Council (Sport Service) will continue to work closely with the organisations that will operate both Moseley Road Baths and GBLC to support participation and activities for all. Participation and feedback on price increases at Lindon Road Instruction Pool will be monitored through monthly reports and feedback questionnaires in the usual way. Trends and impact will be reviewed appropriately.

For EIA00318, aside from signposting there is no other mitigation the Benefit service can offer to offset the removal of Local Welfare Provision.

With regards to EIA00317 (Increase of Birmingham City Council's Bereavement Services Fees and Charges 2024/25), the service offers several options in relation to choices of burial and cremation to ensure affordable funeral options where needed, and offers financial support, dependent upon eligibility, to families unable to pay for costs themselves. Where there are no family, or families refuse to act upon behalf of the deceased, then the council will arrange the funeral as per their duty under the Public Health Act. Bereavement Services does not apply a direct fee to the family for the funeral of a person aged 18 years and under as the government provides a child funerals fund.

For EIA00209 (Cease all ward-based community work activity and cease NDSU non-statutory functions), the service has stated it to be very difficult to mitigate impact without a resource.

For EIA00336 (Review of Local Engineering Service with Highways and Infrastructure), the Local Engineering Service supports the delivery of minor highway improvement works, funded via grants from different directorates. These works, dependant on their nature, may provide benefits to children, older adults and those with disabilities, such as crossing points for children at schools. These works would still be carried out in the future; however, they would likely be commissioned directly by the works promoters through Professional Services and Works Framework contracts, mitigating any impact.

The impact of the proposal to end the service will be monitored through Highways and Infrastructures customer channels. Mitigations will vary based upon the nature of feedback. For example, redesigning customer interfaces to improve engagement if this is featured or passing on requests for highway improvement work to the relevant commissioning directorate.



## Strategy, Equality and Partnerships

4 EIAs have been submitted by Strategy, Equality and Partnerships, most of which refer to an amended service (2), followed by amended function (1), new function (1) and new service (1).

Table 8: EIAs submitted by Strategy, Equality and Partnerships and impact against the protected characteristics.

EIA Number	Proposal (EIA Title)	Protected characteristics								
		Age	Disability	Sex	Gender Reassignment	Marriage & Civil Partnership	Pregnancy & Maternity	Race	Religion & Belief	Sexual Orientation
EIA00275	Income Proposal To Use Council Lampposts To Host Lorawan (Long Range Wide Area Network) - A Type Of Internet Antenna And 5G Mobile Cells To Support Increased Connectivity Across The City. Savings Reference 175									
EIA00310	Contact Centre Call Answering Service Level Agreement (Sla) Reduction From 90% To 85%	X	X							
EIA00329	Debt Recovery Consolidation									
EIA00330	Digitally Enabled Council: Voice Automation	X	X					X		
<b>Total EIAs impacted</b>		<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

### Protected Characteristics Impacted

Two of the four EIAs identify impacts on both Age and Disability; one EIA also identifies an impact on Race.

There is specific emphasis within the EIAs on the following groups within these protected characteristics:

- **Age and Disability:** Older adults who may prefer to speak to someone rather than use one of the other contact methods available due to lack of skills in using technology, and children, as calls are made on their behalf (by someone else). The impact on citizens is that they may have to wait for longer to have their call answered and there is a risk that some people may not wait for their call to be answered and this applies to disabled citizens. It is also mentioned that voice automation may potentially broaden the experience/skillset of older people.
- **Race:** Those who aren't proficient in English may be less able to use voice automation.

EIAs for two cost savings identify no impact on any of the protected characteristics (Income Proposal To Use Council Lampposts To Host Lorawan (Long Range Wide Area Network) - A Type Of Internet Antenna And 5G Mobile Cells To Support Increased Connectivity Across The City; and Debt Recovery Consolidation).

### Mitigating Actions Identified

The following mitigations are identified in the EIAs:

- For contact centre service reduction (EIA00310), there are alternative contact methods like e-mail, web-chat, X(twitter) and WhatsApp which will be launched shortly.



- Voice automation (EIA00280) is also being introduced. Up to 20% of calls will still require a human agent to conduct that interaction. It is anticipated that 60% of general enquiries and 40% of transactional interactions are suitable for voice automation. Customers can also choose to opt out of the automation solution if they are vulnerable and/or prefer the option to talk to an agent. For issues related to proficiency in English, selecting calls for automation will take account of the language used by callers – both in terms of diversity of language proficiency and diversity of lexicon and accents. Calls will only be automated after call listening has identified these language considerations and suitable handling approaches have been created. In the event that a caller is unable to make themselves understood to the automation solution, their call will be forwarded to an agent. By combining the actions of the agent and the recordings of these calls, SEP will be able to: improve the accuracy of speech recognition by expanding and tailoring the vocabulary of the speech-to-text engine; associate a caller's number with metadata that would result in future calls bypassing the automation solution and going straight to an agent; and continue offering natural-language voice calls, with the use of conversational AI, with the option of human support where needed.





**Birmingham City Council**  
**Report to Cabinet**  
27 February 2024



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**Subject:** Pay Policy Statement

**Commissioner Review**

There are no comments from the commissioners on this report.



Birmingham City Council

**Reports not on the Forward Plan / Late Report / Confidential or Exempt Information not Notified**

## Birmingham City Council

27 September 2024



**Subject:** Pay Policy Statement 2023/24  
**Report of:** Katy Fox, Director of People Services  
**Report author:** Blaine Steede, Head of Total Rewards

### 1) Key Decisions not on the Forward Plan / Urgent Decisions

To be completed for Key Decisions not on the Forward Plan 28 days before the Cabinet meeting at which the decision is to be taken.

<i>Reasons for Urgency / why not included on the notification</i>	[insert reasons]
<i>Date Chief Executive Agreement obtained:</i>	
<i>Name, Date and any comments of O&amp;S Chair agreement obtained:</i>	

### 2) Key Decisions not notified on the Notification of Intention to Consider Matters in Private

To be completed for Key Decisions not on the Forward Plan 28 days before the Cabinet meeting at which the decision is to be taken.

<i>Reasons for Urgency / why not included on the notification</i>	[insert reasons]
<i>Name, Date and any comments of O&amp;S Chair agreement obtained:</i>	

### 3) Late Reports

To be completed for all late reports, i.e. which cannot be despatched with the agenda papers i.e. 5 clear working days' notice before meeting.

<i>Reasons for Urgency / why late</i>	Finalisation of the Pay Policy Statement did not make it possible to include before.
<i>Date agreement obtained (Executive e.g. Leader and/or CEX):</i>	

# Birmingham City Council

## Report to Cabinet

27 February 2024



**Subject: Pay Policy Statement 2023/24**

**Report of: Katy Fox, Director of People Services**

**Relevant Cabinet Member: Cllr John Cotton, Leader of the Council**

**Relevant O &S Chair(s): Cllr Jack Deakin, Finance and Resources Overview and Scrutiny Committee**

**Report author: Blaine Steede, Head of Total Rewards**

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential :		

### 1 Executive Summary

- 1.1 This report presents the Pay Policy Statement for the financial year 2023/2024 in line with the requirement of the Localism Act 2011 and Local Government Transparency Code 2014 and requests members to approve it.
- 1.2 The Localism Act 2011 requires the Council to agree a written Pay Policy Statement on an annual basis.
- 1.3 The Act requires the Council to publish specific information relating to the Council's highest and lowest paid employees.
- 1.4 The proposed Pay Policy Statement for 2023/2024 is attached at Appendix 8.1 and meets the requirements of the Localism Act 2011 and associated guidance.

## **2 Recommendations**

- 2.1 It is recommended that Cabinet recommend the Pay Policy Statement 2023/24 to Full Council for approval and publication.

## **3 Background**

- 3.1 The Council is required to adhere to The Localism Act 2011 and the duty to agree a written Pay Policy on an annual basis.
- 3.2 The Pay Policy sets out the ratio of the highest paid employees against the workforce median earnings and principles associated with the payments and remuneration packages of Chief Officers both during and on termination of employment.
- 3.3 Any decisions relating to the pay and remuneration of Chief Officers must comply with the Pay Policy Statement in place at the time for that financial year and whilst the Statement can be amended in year as required, any changes must be subject to the approval of full Council. Failure to do so would be contrary to the Council's Statutory Duty under the Localism Act and would result in legal action being taken against the Council.
- 3.4 Supplementary guidance to The Localism Act - Local Government Transparency Code 2014 dated October 2014 issued by Department of Communities and Local Government sets out the requirements for calculating the pay multiple and further publication of senior salaries which the Council has implemented.

## **4 Options considered and Recommended Proposal**

- 4.1 There are no options associated with the recommendation that the Council agree and approved the proposed Pay Policy Statement,

## **5 Consultation**

- 5.1 There is no formal requirement to consult the community, employees, trade unions or management to implement the Pay Policy Statement.

## **6 Risk Management**

- 6.1 The Council has a legal duty to produce and publish the Pay Policy Statement each financial year. There are risks to the Council in not undertaking this action.

## **7 Compliance Issues:**

### **7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?**

- 7.1.1 Recommended decision is in line with legal obligation to publish a Pay Policy Statement for 2023/24 and in line with principle of transparency.

### **7.2 Legal Implications**

7.2.1 The Council has a legal obligation to publish a pay policy statement for the year 2023/24.

### **7.3 Financial Implications**

7.3.1 There are no financial implications associated with the Pay Policy

### **7.4 Procurement Implications (if required)**

7.4.1 There are no procurement implications associated with the Pay Policy

### **7.5 Human Resources Implications (if required)**

7.5.1 There are no Human Resources implications associated with the Pay Policy

### **7.6 Public Sector Equality Duty**

7.6.1 There are no specific equality considerations associated with the Pay Policy that impact on protected characteristics as detailed in the Equality Act 2010.

## **8 Appendices**

### **8.1 Pay Policy Statement 2023/24**



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## **9 Background Documents**

### **9.1 (i) [Localism Act 2011](#)**

(ii) [Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011 published by the Department for Communities and Local Government: February 2012](#)

(iii) [Improving Local Government Transparency Consultation published by the Department for Communities and Local Government: October 2012](#)

(iv) [Supplementary guidance to The Localism Act requirements \(Openness and accountability in local pay: Guidance under Section 40 of the Localism Act 2011\) dated February 2013 issued by Department of Communities and Local Government](#)



# Pay Policy Statement 2023/24



# Contents

- 1.0 Introduction and Purpose**
- 2.0 Legislative Framework**
- 3.0 Senior Management Remuneration policy**
  - 3.1 Senior Management Positions**
  - 3.2 Recruitment to Senior Management Positions**
  - 3.3 Additions to Salary of Chief/Deputy Chief Officers**
  - 3.4 Payments on Termination**
  - 3.5 Comparators Influencing Pay Levels**
- 4.0 Non-Chief/Deputy Chief Officer Employees**
  - 4.1 Recruitment**
  - 4.2 Lowest Paid Employees**
  - 4.3 Accountability and Decision Making**
- 5.0 Publication**

**Annex 1 - Birmingham City Council – Senior Pay Spine (Chief/Deputy Chief Officer)**

**Annex 2 - Birmingham City Council – NJC Pay Spine**

**Annex 3 - Birmingham City Council – JNC Deputy Chief Officers**

## 1.0 Introduction and Purpose

This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011 and takes account of the final guidance for 'Openness and Accountability in Local Pay' as issued by the Department for Levelling Up, Housing and Communities. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees (excluding those working in local authority schools) by identifying:

- The methods by which, salaries of all employees are determined.
- The detail and level of base remuneration of its most senior employee's i.e. 'chief officers', as defined by the relevant legislation.
- The detail and level of base remuneration of the lowest paid employees
- The relationship between the remuneration for highest and lowest paid employees
- The Committee(s)/Panel responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.

Once approved by the Full Council Meeting, this policy statement will come into immediate effect for the 2023/24 financial year and will be subject to review again for 2024/25 in accordance with the relevant legislation prevailing at that time. If the pay policy needs to be amended during the current financial year, any amendments will be subject to approval.

## 2.0 Legislative Framework

In determining the pay and base remuneration of all its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favorable Treatment) Regulations 2000, Fixed Term Employees (Prevention of Less Favorable Treatment) Regulations 2002, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

The Council remains committed to pay due regard to the Equal Pay requirements contained within the Equality Act, the Council seeks to ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of an equality proofed job evaluation scheme that directly relates an employee's salary to the requirements, demands and responsibilities of the role they perform. Birmingham City Council is undergoing a pay review program to ensure future parity of jobs via a full job re-evaluation exercise.

## 3.0 Senior Management Remuneration Policy

For the purposes of this statement, senior officer means 'chief officers' as defined within S43 of the Localism Act 2011. The Chief Executive is employed under the terms and conditions of the Joint

National Council for Chief Executives and all other senior officers are under the terms and conditions for Joint National Council for Chief Officers.

The Council currently determines pay levels through a job evaluation process and grading structure that has been specifically designed for senior positions that determines the pay range for senior officers as defined by the Localism Act 2011. The annual cost-of-living rise of 3.50 % has been applied to the Senior Officer Pay Structure, as a result of pay bargaining undertaken by Joint Negotiating Committee for Chief Officers of Local Authorities, with effect from 1<sup>st</sup> April 2023. See Annex 1 for the senior officer pay structure effective as of 1<sup>st</sup> April 2023.

Those employees working in senior positions do not receive overtime payments and all other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy.

In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

In particular, it is the Council's policy that no Chief Officer or Deputy Chief Officer (subject to JNC conditions of service for Chief Officers) is paid a supplement for Returning Officer duties, whether in respect of local elections or national elections (e.g. General Elections, elections for European Parliament, national referenda etc.). Fees paid in respect of these elections by Government are used to supplement the pay of non-senior officer employees who have worked on the relevant election.

### **3.1 Senior Management Positions**

#### **JNC Chief/ JNC Deputy Officers**

The senior officer positions will continue to be reviewed on a regular basis as part of the overall savings that have to be made by the Council due to the savings targets faced by local authorities in general over the next few years and those specific to Birmingham City Council. See Annex 1 for full details.

### **3.2 Recruitment to Senior Management Positions (Chief Officer/ Deputy Chief Officer)**

When recruiting to all posts the Council will take full and proper account of its own equal opportunities, recruitment, and redeployment policies. Appointments made to Chief Officer (CO) and JNC Deputy Chief Officer (DCO) positions are all made by the Chief Officers and Deputy Chief Officers Appointments Dismissals and Service Conditions Sub-Committee.

The Council's Commissioners have authority to make appointments to Chief Officer (CO) and JNC Deputy Chief Officer (DCO) positions, Tiers 1, 2 and 3 under the terms of the Statutory Direction dated 5 October 2023. When appointments are made by the Commissioners, they will be noted by the Chief Officers and Deputy Chief Officers Appointments Dismissals and Service Conditions Sub-Committee.

The determination of the remuneration to be offered to any newly appointed Chief Officer or Deputy Chief Officer will be in accordance with the local JNC (Senior) pay spine (further details can be found in Annex 1) and relevant policies in place at the time of recruitment. Where the Council is unable to recruit or retain at the designated grade, it will consider using, on a temporary basis, market supplements and retention payments in accordance with its relevant policies.

Where the Council remains unable to recruit under an employment contract, or there is a need for interim support to provide cover for a vacant substantive senior management position, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through the relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

### **3.3 Additions to Salary of Chief Officers/ Deputy Chief Officers**

The Council does not apply any bonus to the salary of Chief Officers/Deputy Chief Officers, however progression within the salary scales is currently performance related as determined by the JNC Core Panel and/or Head of Paid Service. There is no element of earn back for senior manager's salaries and any pay progression is currently consolidated into basic pay.

In addition to basic salary, set out below are details of other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties;

The following are applicable to all senior manager positions

- A mileage allowance is paid to all employees using their own vehicle for work purposes and the payments are in linked to the approved HMRC rates (For current HMRC mileage rates please see <http://www.hmrc.gov.uk/paye/exb/a-z/m/mileage-expenses.htm>)
- There are currently no salary supplements or additional payments for undertaking additional responsibilities such as shared service provision with another local authority or in respect of joint bodies.
- Market supplements/recruitment allowances are paid where it is justified to recruit and fulfill a role or to retain an officer within a role.

### **3.4 Payments on Termination**

The Council's approach to severance and discretionary payments on termination of employment, prior to reaching retirement age, is set out in accordance with regulations 5 and 6 of the Local Government

(Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and regulation 12 and 13 of the Local Government Pension Scheme Regulations 2013.

The Council applies this policy to all employees and in all cases. Any changes to this policy, whether permanent or time limited, will be agreed by the Council's JNC Core Panel. The City Solicitor has the authority to settle, if appropriate and in the interests of the Council, any actual or threatened legal proceedings as set out in Part E Section 7.1 of the Council's Constitution.

Any other payments falling outside the Public Sector Exit Payments regulations, or the relevant periods of contractual notice shall be subject to a formal decision made by the full Council or the relevant elected members, committee or panel of elected members or officer with delegated authority to approve such payments, dependent on the post.

Any severance packages with a value in excess of £100,000 (including any Pension Strain costs) will be approved by Council before they are agreed. This procedure applies to severance packages pursuant to a settlement agreement. However, it does not apply in relation to the cost of early access to, and/or enhancement of a retirement pension, where the employee's employment is terminated on grounds of ill health.

The Council has adopted [the statutory guidance on Special Severance Payments](#) where non-contractual exit payments above certain thresholds are subject to additional scrutiny, approval and disclosure processes. This is to comply with our best value duty as set out in section 3 of the Local Government Act 1999. Further details will be set out in the Special Severance Payments Guidance.

Provisions in the Finance (No.2) Act 2017 changed the rules on the taxation of termination payments to remove the distinction between contractual and non-contractual payments in lieu of notice, effective from April 2018. The Council continues to comply with these requirements.

Employers are liable to pay Class 1A national insurance contributions on termination payments above £30,000 that are subject to income tax by the employee. The Council is fully compliant with this requirement.

### **3.5 Comparators Influencing Pay Levels**

For context on pay levels in the local government sector, Birmingham City Council is not only the largest local authority in the UK, but also the largest unitary authority in Europe serving over one million residents and has a revenue budget of c.£3.5bn. The Council needs to maintain competitive pay levels to attract suitable candidates for senior positions that can demonstrate sufficient skills, experience and capacity required at this level as would be evidenced, for example, by fulfilling a comparable role in a large complex local authority. There is often a very small pool from which to recruit candidates with other authorities offering very competitive salaries in relation to their size.

As a consequence, it may be necessary, from time to time, to review senior pay scales by benchmarking Chief Officer remuneration with the Core Cities Group which is comprised of councils that represent the largest eight economies outside London, to ensure alignment with external pay markets, both within and outside the sector, which may result in the review of JNC salaries and/or temporary additions of market supplements (as per 3.3), as appropriate.

## **4.0 Non-Chief/Deputy Chief Officer Employees**

Based on the application of an analytical job evaluation process, the Council uses the nationally negotiated pay spine as the basis for its local grading structure with additional spine points. This determines the salary of most of the non-school based workforce, together with the use of other nationally defined rates such as Soulbury and JNC Youth and Community Workers. The Council presently adheres to national pay bargaining in respect of the national pay spine with the most recent increase effective 1<sup>st</sup> April 2023.

Progression within the grading structure for 2023/24 is automatic incremental progression within the grade, in line with agreed defined criteria effective from 1<sup>st</sup> April. Once the maximum spinal column point (as seen in annex 2) has been reached there will be no further progression.

## **4.1 Recruitment**

New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time, it may be necessary to take account of the external pay market to attract and retain employees with the experience, skills, and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

## **4.2 Lowest Paid Employees**

The lowest paid employees under a contract of employment with the Council are employed on full time equivalent (FTE) salary in accordance with the minimum pay point for JNC Youth and Community Workers. . The minimum pay point for 2023 (based on April 2023 pay rates for JNC Youth and Community Workers) is £21,571 (Support Worker Range Pay Point 5). See Annex 2 for the JNC Youth and Community Worker BCC Pay Structure, effective 1<sup>st</sup> April 2023.

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation.

The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the authority's workforce. Whilst the ratio between the highest and lowest paid employees within the Council does not exceed 20 times, the Council does not set a ratio ceiling within its pay policy for senior officers.

The following tables illustrate various pay differentials between the salary of the Chief Executive and the lowest paid full time equivalent employee, median employee pay, and average employee pay based on base pay, and does not include any pension benefits, or any other variable elements of pay (e.g. non contractual overtime, allowances etc.)

<b>Pay Differential between Chief Executive and lowest paid full time equivalent employees</b>	CEX salary	£260,389
	Lowest FTE salary	£21,571
	Pay Multiple	<b>12.07:1</b>

<b>Pay Differential between Chief Executive and the median pay for full time equivalent employees</b>	CEX salary	£260,389
	Median salary	£31,364
	Pay Multiple	<b>8.3:1</b>

<b>Pay Differential between Chief Executive and the average pay for full time equivalent employees</b>	CEX salary	£260,389
	Average salary	£33,982
	Pay Multiple	<b>7.66:1</b>

The following tables illustrate the various pay differentials between Chief/Deputy Chief Officers and the lowest paid full time equivalent employee, median employee pay and average employee pay based on base pay, and does not include any pension benefits, or any other variable elements of pay (e.g. non contractual overtime, allowances etc).

<b>Pay Differential between the average of Chief Officers pay and the lowest paid full time equivalent employee</b>	Average Chief Officer salary	£118,655
	Lowest FTE salary	£21,571
	Pay Multiple	<b>5.5:1</b>

	Median Chief Officer salary	£111,500
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<b>Pay Differential between the median of Chief Officers pay and the median pay for a full-time equivalent employee</b>	Median salary	£31,364
	Pay Multiple	<b>3.55:1</b>

<b>Pay Differential between the average of Chief Officers pay and the average pay for a full-time equivalent employee</b>	Average Chief Officer salary	£118,655
	Average salary	£33,982
	Pay Multiple	<b>3.49:1</b>

### 4.3 Accountability and Decision Making

In accordance with the Constitution of the Council, the Chief Officers and Deputy Chief Officers Appointments Dismissals and Service Conditions Sub-Committee are responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council on JNC terms and conditions.

## 5 Publication

The Pay Policy 2023/24 will be submitted as a document within the Financial Planning Papers, and upon approval by the full Council, this statement will be published as part of those papers, and separately in its own right, on the Council's Website [www.birmingham.gov.uk/cosd](http://www.birmingham.gov.uk/cosd). Other formats will also be made available on request.

In addition, for employees where the full-time equivalent salary is £50,000 or more, excluding employer superannuation contributions, the Councils Annual Statement of Accounts will include the number of employees in bands of £5,000.

## Annex 1 Birmingham City Council - Senior Pay Spine (Chief/Deputy Chief Officers)

Pay structure effective as at 1<sup>st</sup> April 2023

Job Level	Grade	Minimum £	Maximum £
Chief Executive	B04	197,393	295,093
Strategic Director	B03	148,087	221,134
Director	B02	111,220	165,834
Assistant Director	B01	82,930	123,399

The posts falling within the statutory definition for Chief Officers of the Local Government and Housing Act 1989, which covers the statutory officers and those others that report to the Chief Executive, are set out below:

- a) Chief Executive -  
The head of paid service defined under section 4(1) of that Act. The salary for the above post falls within a range from £197,393 rising to a maximum of £295,093. There is no additional supplement paid for returning officer duties incorporated into this role.
- b) Director of Finance (Section 151 Officer) –  
A statutory chief officer defined under section 2(6) of that Act. The salary for the above post falls within a range between £111,220 rising to a maximum of £165,834.
- c) City Solicitor & Monitoring Officer –  
A statutory chief officer defined under section 5(1) of that Act. The salary for the above post falls within a range between £111,220 rising to a maximum of £165,834.
- d) Strategic Director of Adult Social Care –  
A statutory officer defined under section 2(6) of that Act. The salary for the above post falls within a range between £148,087 rising to a maximum of £221,134.
- e) Strategic Director of Children & Families –  
A statutory officer defined under section 2(6) of that Act. The salary for the above post falls within a range between £148,087 rising to a maximum of £221,134.
- f) Director of Public Health –  
A statutory post under section 73A (7) of the NHS Act 2006. The salary for the above post falls within a range between £111,220 rising to a maximum of £165,834. There are also two statutory payments made in relation to this role.

- g) Strategic Director of City Operations –  
A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £148,087 rising to a maximum of £221,134.
- h) Strategic Director of City Housing -  
A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £148,087 rising to a maximum of £221,134.
- i) Strategic Director Places, Prosperity & Sustainability -  
A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £148,087 rising to a maximum of £221,134.
- j) Director of Strategy, Equalities & Partnerships -  
A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £111,220 rising to a maximum of £165,834.
- k) Director of People Services  
A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £111,220 rising to a maximum of £165,834.
- l) Director of Intervention Response  
A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £111,220 rising to a maximum of £165,834.

## Annex 2 Birmingham City Council – Pay Spines

### JNC Youth and Community Worker Pay Spine as at 01 Apr 23

<b>Support Worker Range</b>	<b>Salary</b>
05	£21,571
06	£21,900
07	£22,196
08	£22,874
09	£23,739
10	£24,416
11	£25,509
12	£26,576
13	£27,681
14	£28,825
15	£29,603
16	£30,416
17	£31,216

<b>Professional Range</b>	<b>Salary</b>
18	£32,021
19	£32,820
20	£33,622
21	£34,522
22	£35,542
23	£36,536
24	£37,534
25	£38,540
26	£39,545
27	£40,550
28	£41,568
29	£42,577
30	£43,588

**NJC Pay Spine effective as at 1<sup>st</sup> April 2023.**

<b>SCP 2023</b>	<b>Salary 2023</b>	<b>Hourly Rate 2023 (£)</b>
1	Deleted wef 1 April 2023	
2	22,366	11.75
3	22,737	11.95

<b>SCP 2023</b>	<b>Salary 2023 (£)</b>	<b>Hourly Rate 2023 (£)</b>
3	22,737	11.95
4	23,114	12.14
5	23,500	12.35
6	23,893	12.55
7	24,294	12.76
8	24,702	12.98

<b>SCP 2023</b>	<b>Salary 2023</b>	<b>Hourly Rate 2023</b>
9	25,119	13.20
10	25,545	13.42
11	25,979	13.65
12	26,421	13.88
13	26,873	14.12
14	27,334	14.36
15	27,803	14.61
16	28,282	14.86
17	28,770	15.12
18	29,269	15.38
19	29,777	15.65
20	30,296	15.92
21	30,825	16.20
22	31,364	16.48

<b>SCP 2023</b>	<b>Salary 2023</b>	<b>Hourly Rate 2023</b>
23	32,076	16.85
24	33,024	17.35
25	33,945	17.84
26	34,834	18.30
27	35,745	18.78
28	36,648	19.26
29	37,336	19.62
30	38,223	20.08
31	39,186	20.59

<b>SCP 2023</b>	<b>Salary 2023</b>	<b>Hourly Rate 2023</b>
32	40,221	21.13
33	41,418	21.76
34	42,403	22.28
35	43,421	22.81
36	44,428	23.34
37	45,441	23.88
38	46,464	24.41
39	47,420	24.92
40	48,474	25.47

<b>SCP 2023</b>	<b>Salary 2023</b>	<b>Hourly Rate 2023</b>
41	49,498	26.01
42	50,512	26.54
43	51,515	27.07
44	53,111	27.91
45	54,720	28.75
46	56,326	29.60
47	57,945	30.45
48	59,546	31.29
49	61,269	32.19

<b>SCP 2023</b>	<b>Salary 2023</b>	<b>Hourly Rate 2023</b>
50	62,986	33.09
51	64,725	34.01
52	66,755	35.07

<b>53</b>	68,866	36.18
<b>54</b>	71,051	37.33
<b>55</b>	73,308	38.52
<b>56</b>	75,654	39.75
<b>57</b>	78,076	41.02
<b>58</b>	81,154	42.64

## Annex 3 JNC Deputy Chief Officers

The positions in the table below are core establishment, JNC deputy chief officers as mentioned in section 2(8) of the Local Government and Housing Act 1989, i.e. JNC officers that report directly to any of the JNC chief officers listed in Annex 1:

Designation	Directorate	Grade	Range
Assistant Director Audit	Council Management	B01	£82,930 - £123,399
Assistant Director Financial Strategy (Deputy s.151 Officer)	Council Management	B01	£82,930 - £123,399
Assistant Director Financial Performance & Insight (Deputy s.151 Officer)	Council Management	B01	£82,930 - £123,399
Assistant Director Development & Commercial (Deputy s.151 Officer)	Council Management	B01	£82,930 - £123,399
Assistant Director Legal Services – Governance (Deputy MO)	Council Management	B01	£82,930 - £123,399
Assistant Director Legal Services – Litigation Law (Deputy MO)	Council Management	B01	£82,930 - £123,399
Assistant Director Legal Services – Corporate Law (Deputy MO)	Council Management	B01	£82,930 - £123,399
Director Digital & Customer Services	Council Management	B02	£111,220 - £165,834
Assistant Director Digital & Technology Services and CIO	Council Management	B01	£82,930 - £123,399
Assistant Director Customer Services & Business Support	Council Management	B01	£82,930 - £123,399

<b>Designation</b>	<b>Directorate</b>	<b>Grade</b>	<b>Range</b>
Assistant Director Revenues, Benefits & Rents	Council Management	B01	£82,930 - £123,399
Assistant Director People Operations & Shared Services	Council Management	B01	£82,930 - £123,399
Assistant Director HR Improvement & Organisational Development	Council Management	B01	£82,930 - £123,399
Assistant Director Procurement	Council Management	B01	£82,930 - £123,399
Assistant Director Health Protection & Environmental Health	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Assistant Director Knowledge, Evidence & Governance	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Assistant Director Healthy Behaviours & Communities	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Assistant Director Adults & Older People	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Assistant Director Children's & Families	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Deputy Director Public Health	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Consultant Public Health Parks & Neighbourhoods	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Assistant Director Communications	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Assistant Director Strategic Partnerships, External Affairs & Corporate Leadership	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Assistant Director Insight, Policy & Strategy	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Director of Council Programmes, Performance & Improvement	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399
Assistant Director Population	Strategy, Equalities & Partnerships	B01	£82,930 - £123,399

Designation	Directorate	Grade	Range
Director of City Housing Solutions & Support Services	City Housing	B02	£111,220 - £165,834
Director of City Housing Management	City Housing	B02	£111,220 - £165,834
Director of City Housing Asset Management	City Housing	B02	£111,220 - £165,834
Assistant Director Strategic & Enabling	City Housing	B01	£82,930 - £123,399
Director of Street Scene	City Operations	B02	£111,220 - £165,834
Director of Regulation & Enforcement	City Operations	B02	£111,220 - £165,834
Assistant Director Community Safety & Resilience	City Operations	B01	£82,930 - £123,399
Assistant Director Highways & Infrastructure	City Operations	B01	£82,930 - £123,399
Assistant Director Neighbourhoods	City Operations	B01	£82,930 - £123,399
Director Planning, Transport & Sustainability	Place, Prosperity & Sustainability	B02	£111,220 - £165,834
Director Property & Investment	Place, Prosperity & Sustainability	B02	£111,220 - £165,834
Assistant Director Children & Young People's Travel Service	Children & Families	B01	£82,930 - £123,399
Director of C&F Strategy, Transformation & Commissioning	Children & Families	B02	£111,220 - £165,834
Director of SEND & Inclusion	Children & Families	B02	£111,220 - £165,834
Director of Thriving Children & Families	Children & Families	B02	£111,220 - £165,834
Director of Schools and Employability	Children & Families	B02	£111,220 - £165,834
Director of Adult Social Care Delivery	Adult Social Care	B02	£111,220 - £165,834
Director of Adult Social Care Commissioning	Adult Social Care	B02	£111,220 - £165,834
Assistant Director Community Services & Equality, Diversity & Inclusion	Adult Social Care	B01	£82,930 - £123,399
Assistant Director Quality & Improvement	Adult Social Care	B01	£82,930 - £123,399

<b>Designation</b>	<b>Directorate</b>	<b>Grade</b>	<b>Range</b>
Assistant Director Early Intervention & Prevention	Adult Social Care	B01	£82,930 - £123,399