

Budget consultation 2019+

December 2018

Councillor Kate Booth



Introduction

- The Council's Medium Term Financial Strategy (MTFS) sets out a financial framework within which the Council's priorities can be delivered
- This strategy has four aims:
 - Priority areas receive additional resources whilst ensuring that services are defined on the basis of a clear alignment between priority and affordability
 - Ensure that the Council sets a balanced budget for 2019/20
 - Plan the level of fees, charges and taxation in line with levels that the Council regard as being necessary, acceptable and affordable while gradually reducing the Council's reliance on Central Government funding; and
 - Protect our reserves.
- Ongoing service pressures and falling resources mean that it is increasingly difficult for the Council to continue to deliver services without taking some hard decisions
- If implemented, the savings proposals put forward for consultation would affect a range of services provided by the Council

Birmingham's challenges and opportunities



The vision and priorities for Birmingham City Council

Birmingham – a city of growth where every child, citizen and place matters

1

Birmingham is an entrepreneurial city to learn, work and invest in

2

Birmingham is an aspirational city to grow up in

3

Birmingham is a fulfilling city to age well in

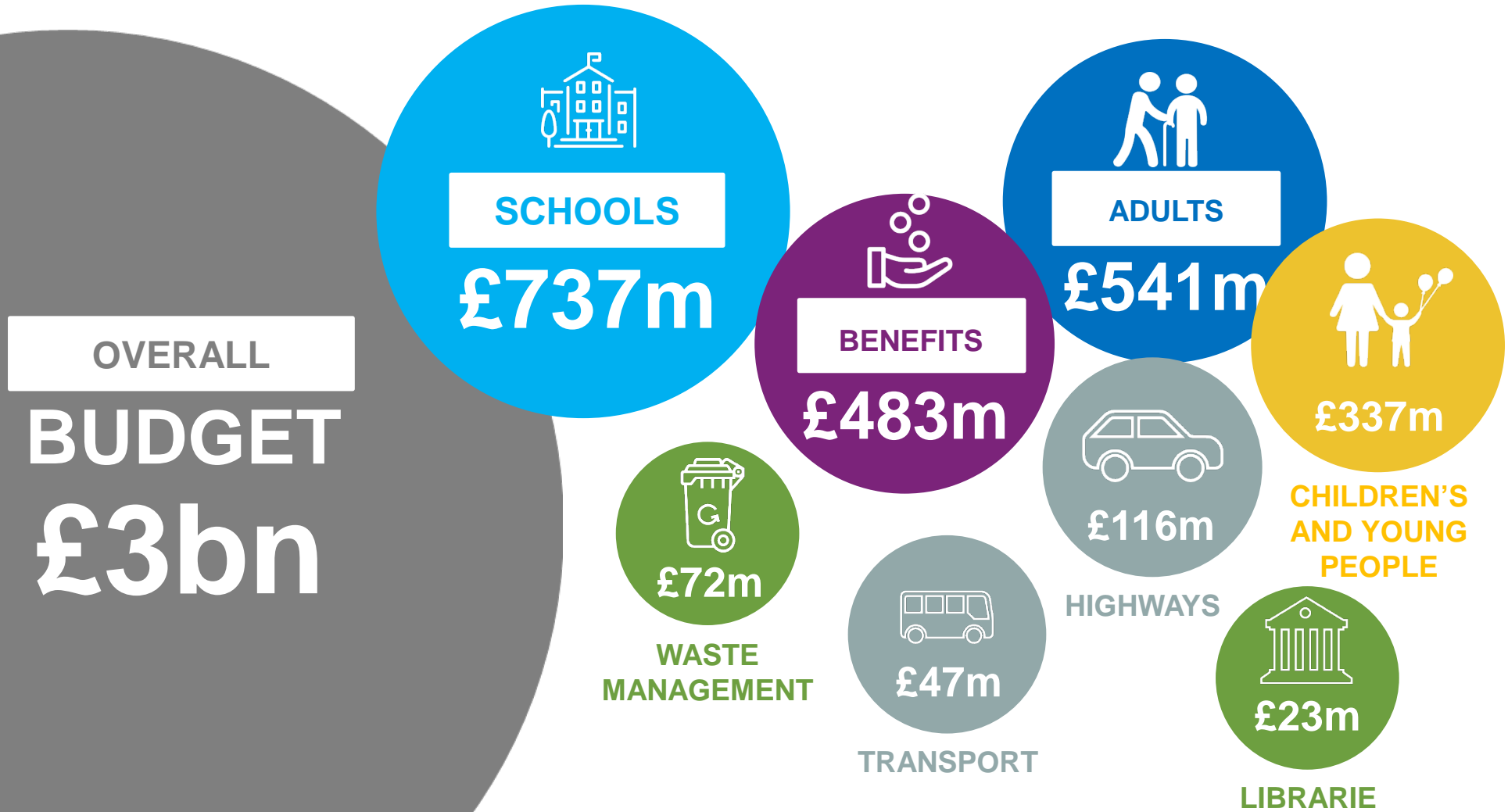
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Birmingham is a great city to live in

5

Birmingham residents gain the maximum benefit from hosting the Commonwealth Games

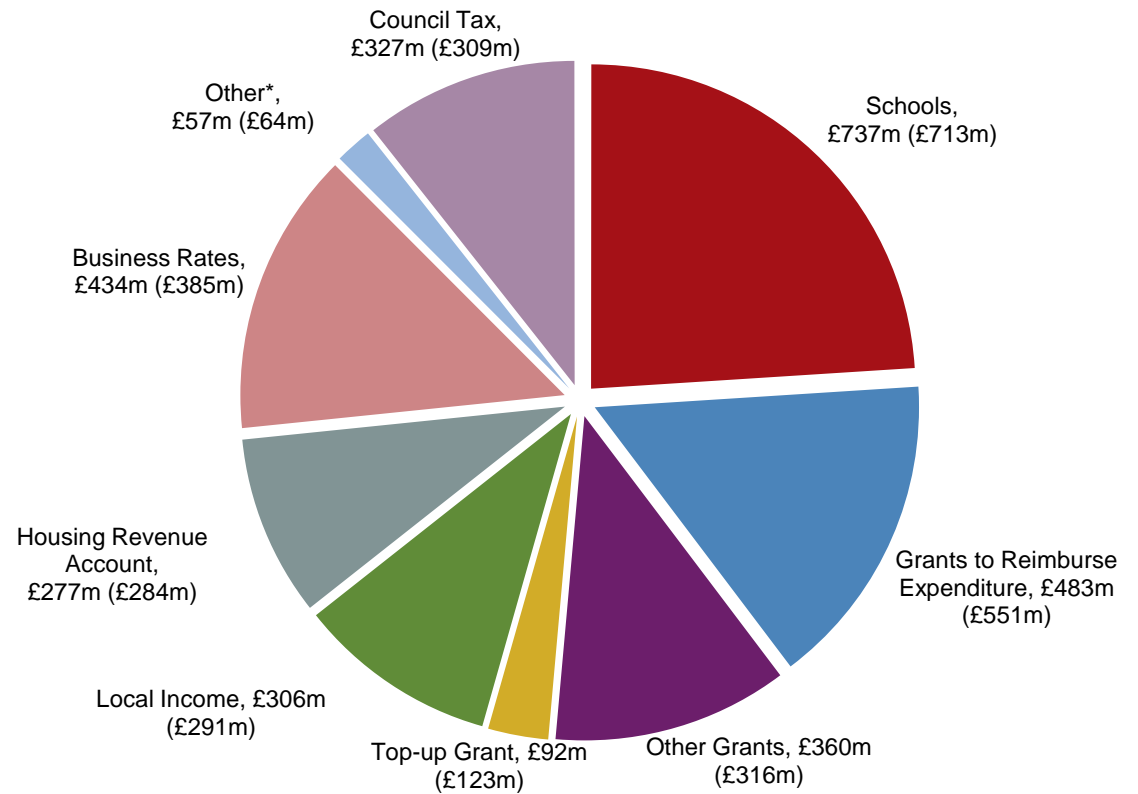
Making a positive difference every day



Making a positive difference everyday to people's lives

Where does our money come from?

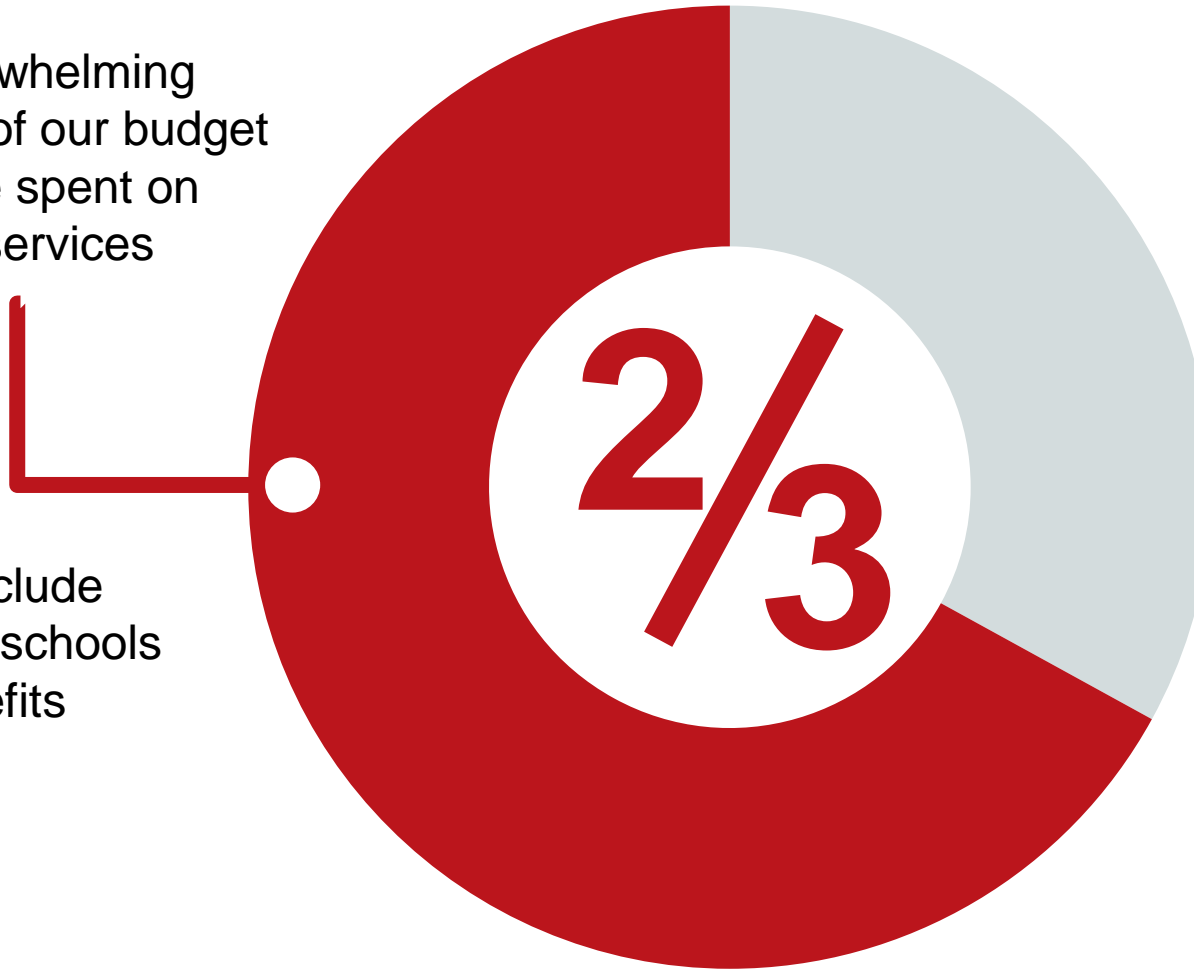
| | |
|---------------------------|--------|
| Total budget: | £3.1bn |
| Government grants: | £1.7bn |
| Council Tax is: | £0.3bn |
| Business rates: | £0.4bn |
| Housing rents: | £0.3bn |
| Other income: | £0.4bn |



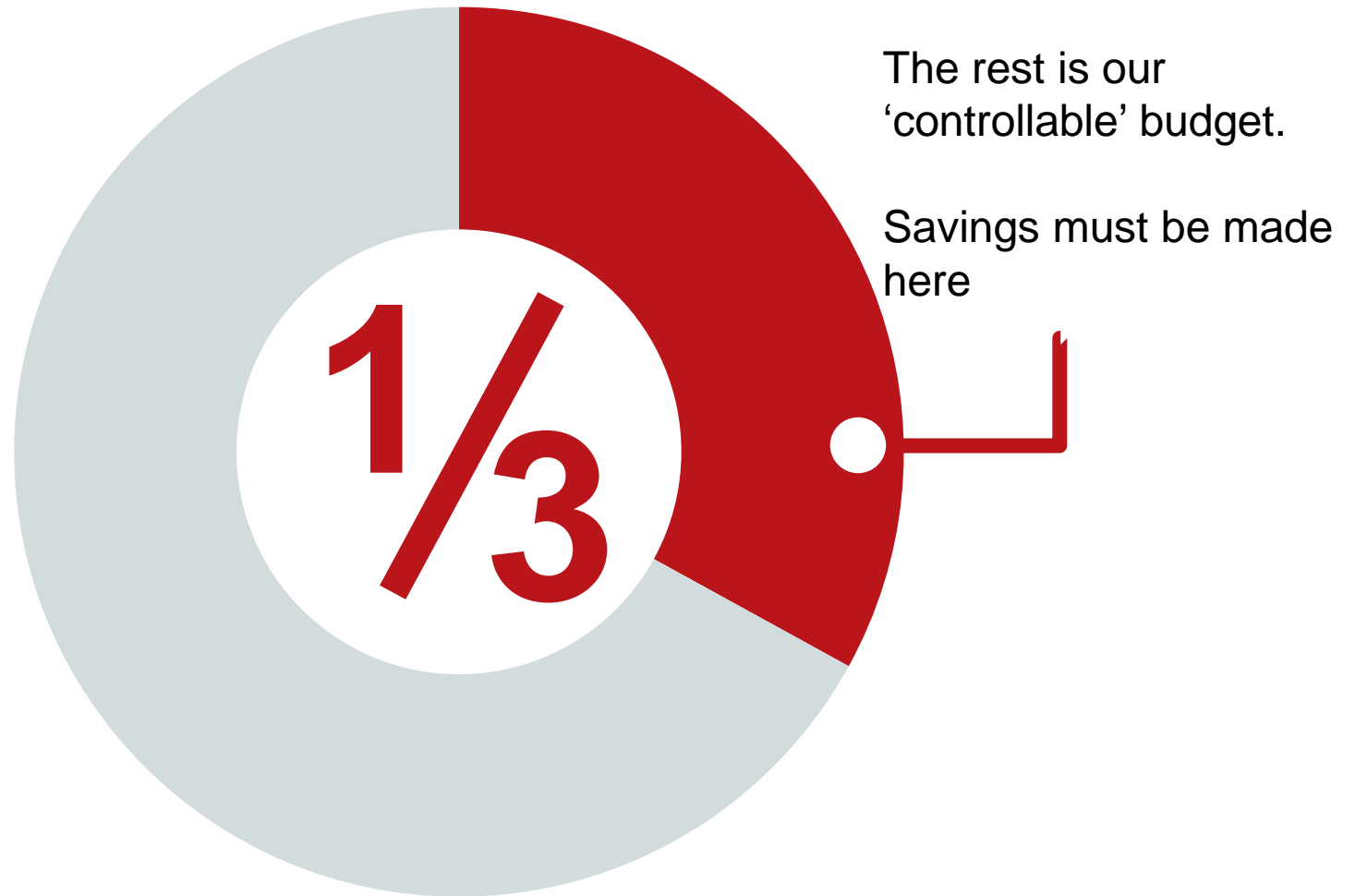
Our financial challenge

The overwhelming majority of our budget has to be spent on specific services

These include housing, schools and benefits



Our financial challenge

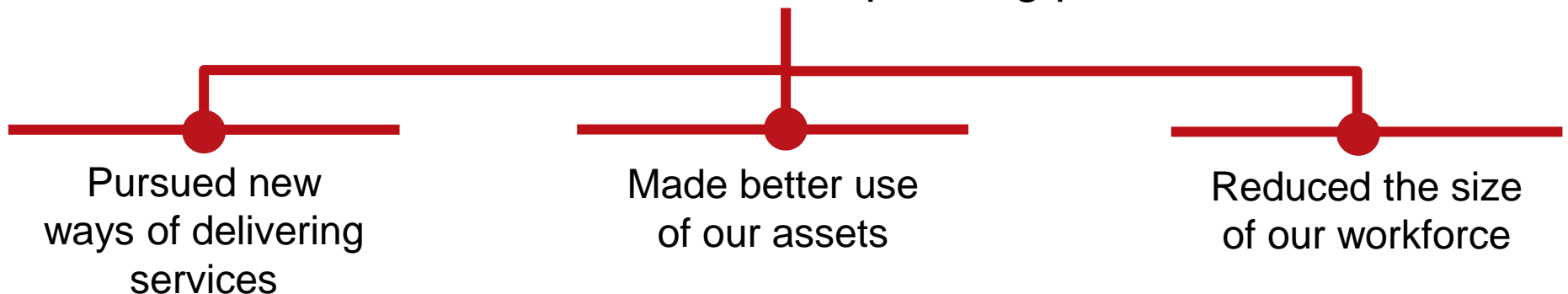


We have already reshaped what we do

We have already made savings of around

£690m

since 2010 as a direct result
of Government cuts and spending pressures



We know that we need to find a way of delivering services with less money

By 2022/23, we forecast that we will need to make further savings of

£86m

this is the equivalent of around 8% of our controllable budget for 2018/19

The 2018/19 budget consultation

We have assumed an annual increase in Council Tax of 2.99% and we will continue to take the ability to raise a 'social care precept' of a further 2% to provide extra funding to meet the costs of social care.
The total increase assumed in the consultation is 4.99%.

2019/20

£m

Changes in corporate government grants

30

Changes in Council Tax/Business rates and related grants

(27)

Expenditure pressures

47

SAVINGS REQUIREMENT

50

Savings in financial plan 2018+

(36)

Savings not delivered

4

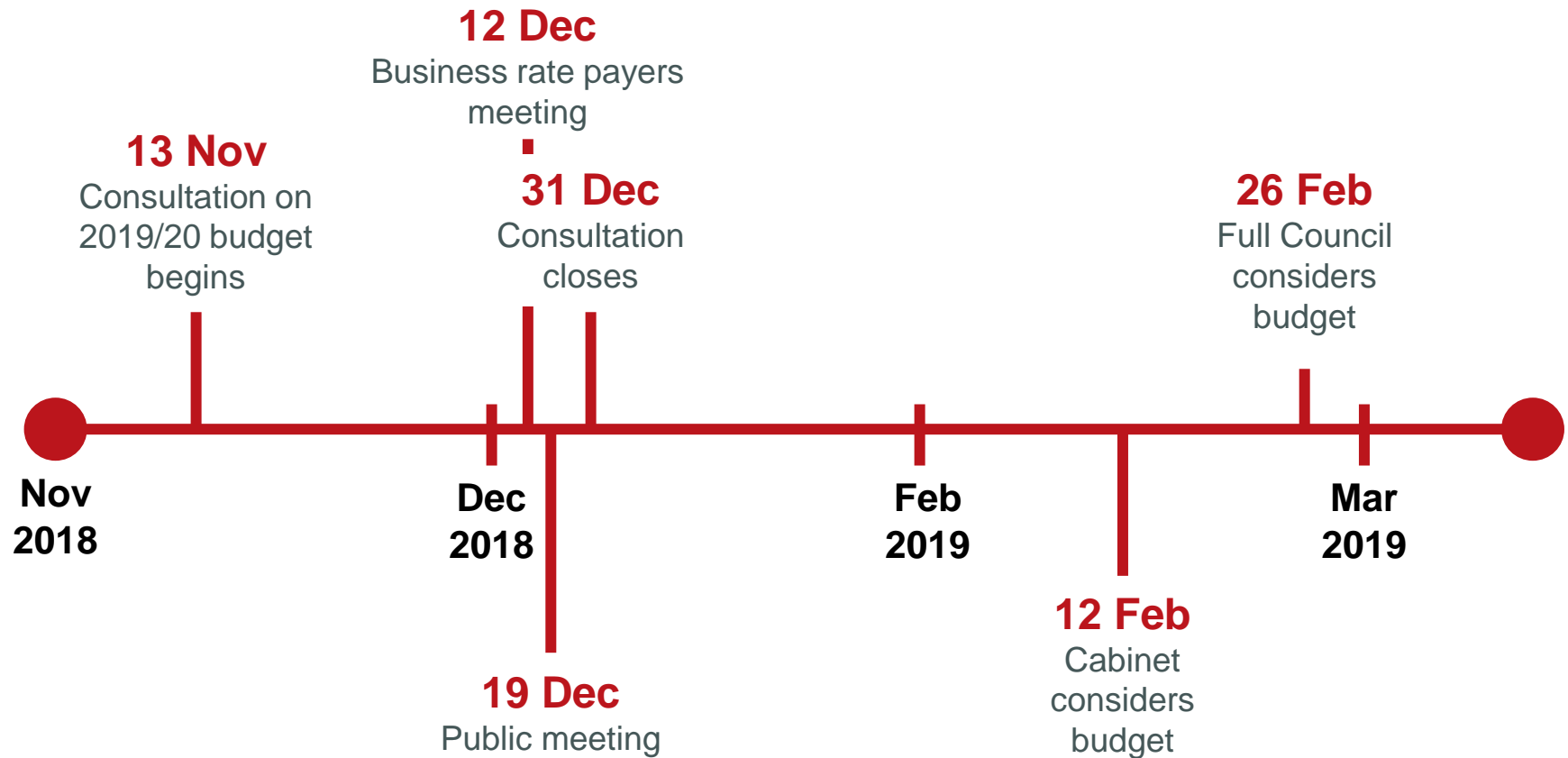
Savings being consulted on

(18)

Other solutions to be determined

0

What happens next?



Children's Wellbeing –budget lines

CY104 19+ - Education Safeguarding

Team provides support, advice to schools around safeguarding concerns in education. Some of the work including training is funded through traded offer allowing schools to access extra help and training above the statutory service

CY108 19 + - Children's Trust

Contract with the Trust will be reduced for the financial year through contract negotiations.

CYP 19+ - Review of Management Grades

As part of corporate JNC review

Children's Wellbeing –budget lines

CY110 19+ - Travel Assist

- Managing pressures – majority of children using the service have SEND requirements also supporting Children in Care; children in temporary accommodation and other vulnerable groups
- 4,250 children use service on daily basis with 1,500 in receipt of bus passes
- Over 590 routes including 1-1's minibus / coach transport; Travel Guides; Personal transport budgets; bus passes and independent travel training

Consultation & Questions

- Proposals suggested are being consulted on widely and feedback will be considered before the budget is recommended to Council on 26th February 2019
- Encourage Scrutiny to feed into consultation
- Public meeting in the Council House on 19 December, 6-8pm in the Council House Banqueting Suite
- There was a webcast with all Cabinet Members on 19 November and there will be a further webcast on 20 December.
- Consultation ends on 31st December

QUESTIONS?