

FINANCIAL PLAN 2019 - 2023



A great city to live in



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LEADER'S FOREWORD

This document sets out the Financial Plan for the City Council, outlining the tough decisions that have been made for the 2019/20 financial year and the vision and priorities that will inform future decisions and spending.

It is clear that after almost a decade of austerity driven cuts, this continues to be the most challenging period in Birmingham City Council's history.

Funding for vital services to support the people of Birmingham has been cut by more than £690 million since 2010. And we must now find further savings of £85 million over the next four years, including £46 million for 2019/20, taking the total annual savings over this 12-year period to £775 million.

Over the same period, demand for many services (especially adult social care) has grown and inevitably that has meant tougher budget decisions than ever before.

It was against this backdrop that, in November, we launched our Budget Consultation and I would like to thank everyone who responded to our proposals. As you will see from the programme outlined in this document, we did listen to feedback.

These are challenging times, but there are plenty of reasons for optimism in Birmingham

- For the first time in ten years, children's services are showing sustained improvement.
- We're addressing the city's housing shortage, building more social and affordable homes.
- We're working with partners on a range of initiatives to tackle homelessness.
- We're addressing major health issues like air pollution.
- And this city is currently attracting record levels of investment.

Projects such as the exciting Smithfield Development and the £1 billion Curzon Investment Plan will create jobs and opportunities for this city's young and growing population.

Not only that, but the Commonwealth Games in 2022 and the arrival of HS2 ensure a golden decade for the people of Birmingham.

These projects, which will provide homes, jobs and opportunities for the people of Birmingham, are in stark contrast to the huge cuts being forced on our public services.

Those cuts continue to hit the people of Birmingham hard and I want to pay tribute to council staff, who continue to provide a vital safety net for the most vulnerable people across this city, despite losing almost 12,000 colleagues since 2010.

The ongoing commitment and dedication from staff in such challenging times will be vital.

And we can be proud of the fact that:

- We're building an entrepreneurial city to learn, work and invest in
- Ensuring that Birmingham is an aspirational city to grow up in and a fulfilling city to age well in
- This continues to be a great city to live in
- Birmingham residents will gain the maximum benefit from hosting the Commonwealth Games

Even in such challenging times, we continue to invest in the services that the people of Birmingham rely on.

We will continue to attract investment, create jobs and build the homes needed by a growing city.

And we will tackle inequalities, protecting the most vulnerable in our city.

CHAPTER 1: POLICY CONTEXT

BIRMINGHAM: A CITY OF GROWTH WHERE EVERY CHILD, CITIZEN AND PLACE MATTERS

Birmingham City Council has a clear vision for Birmingham, which is to create ‘a city of growth where every child, citizen and place matters’. This vision, along with the Council’s strategic outcomes and priorities, is described in its latest Council Plan 2018 – 2022 (published in June 2018) and are:

- Birmingham is an entrepreneurial city to learn, work and invest in
- Birmingham is an aspirational city to grow up in
- Birmingham is a great city to live
- Birmingham is a fulfilling city to age well in
- Birmingham residents gain the maximum benefit from hosting the Commonwealth Games

These outcomes are based on extensive conversations with citizens and partners, surveys and consultations – including the annual consultation on how the Council allocates its financial resources to meet its services priorities. These outcomes and priorities also seek to address the issues and challenges faced by the city and the priorities of its citizens, so provide an important reference point for the Council’s financial strategy.

Challenge and opportunity

Birmingham is at the heart of the UK’s transport infrastructure network and has strengths in business, professional and financial services and advanced manufacturing and strong recent jobs growth.

The city is also home to approximately 7,500 tech firms, employing more than 40,000 people. And Birmingham is now rated as the UK’s most rapidly improving city. Birmingham is the most diverse major city in the UK outside London with almost half (46 per cent) of residents under the age of 30.

But great opportunity goes hand-in-hand with great challenges.

Birmingham is growing rapidly and its population of 1.15 million people will increase by a further 156,000 by 2031 equating to a need for 89,000 new homes. The Birmingham Development Plan provides for 51,100 new homes over the plan period, including affordable housing, with the shortfall to be accommodated outside of the city by other local authorities.

Over two-fifths (42 per cent) of Birmingham children live in poverty, with many affected by welfare cuts. Birmingham is the sixth most deprived English local authority district, but poverty is also highly concentrated in parts of the city, leading to wide inequalities in life expectancy across the city.

Making a positive difference every day

In addition to these challenges the ongoing impact of reductions in Government funding has meant cuts to services. But, where possible, the Council has sought to reduce the impact of these cuts by prioritising the most vulnerable in Birmingham.

At the same time the Council has been tackling a range of spending pressures, including adult social care, children's services, homelessness, pension fund costs, waste management, and the Council's Business Charter for Social Responsibility which ensures that suppliers to the Council pay their staff the Living Wage.

These challenges are not unique to the Council. Indeed, many of them are shared by local government and other public sector organisations across the UK.

Birmingham City Council has, however, recognised the need to modernise in order to meet the existing and future challenges that have been well documented over the last few years which has resulted in central government intervention through the Birmingham Independent Improvement Panel, the creation of the Children's Trust and recent CQC and Ofsted inspections.

It is important that we become a Council that delivers improved outcomes that citizens, members, staff and partners value and have pride in.

In order to become that modern, high performing sustainable organisation, we will have to radically change the culture and behaviours of the organisation and implement more effective and streamlined organisational structures which promote innovation, financial resilience and accountability.

The Council has set out a medium-term financial strategy and launched a transformation change programme to build a more modern, flexible and agile organisation, ensuring we continue to make a positive difference every day.

An updated medium term financial strategy

The Council's latest financial strategy is built around the following core principles:

- Allocating resources so that they are more closely aligned to key priority areas and areas of need
- Ensuring that the Council sets a balanced revenue budget for 2019/20, plans for one in the medium term and that its long term financial health and viability remains sound
- Ensuring that capital investment plans are set at an affordable and sustainable level
- Reducing the Council's reliance on Government funding through the use of fees, charges and taxation that are in line with levels that the Council regard as being necessary, acceptable and affordable

- Protecting the Council's reserves – in line with its Reserves Policy - for 'rainy day' events and not seeking to use them to meet ongoing pressures or where savings have not been achieved
- Ensuring that there is strong governance, assurance and accountability for delivery of service outcomes and savings proposals within budget
- Mitigating against uncertainty – in the near and medium term

Creating a modern, flexible and agile organisation

In addition to improving the way the Council uses and manages its financial resources it has embarked on a long term programme of transformational change. As a result of this programme the Council will be:

- Smaller and more strategic - The Council has already reduced staffing by 48% over the last eight years and will continue to reduce its headcount by more than 1,095 posts in 2019/20, potentially rising to 1,579 by 2022/23
- More self-sufficient and sustainable over the medium-term with further consolidation of support services to realise efficiencies
- Supporting a wide range of partnerships and other providers (including social enterprises, voluntary and community sector)
- More responsive to ever-changing needs, demands and behaviour of our citizens – particularly responding to and capitalising on opportunities around enhanced use of data intelligence and new communication technologies
- Have greater integration between our services/functions, so all of us are working together towards our priority outcomes in a way that can be scalable across organisational boundaries
- Make much better use of customer insight and business intelligence to ensure we make informed decisions and deploy all our resources (financial, people, physical, information, relationships and democratic mandate) in support of the Council's priorities
- Leaner and more agile, with fewer layers of management and increased spans of control
- More collaborative, working as 'one council' with Elected Members and across the Extended Leadership Team.

The Council will handle these changes sensitively but with a clear focus on implementing the tough decisions that Elected Members have made. Our workforce strategy has been agreed by Cabinet in 2018, and this will guide a much stronger approach to staff engagement, empowerment and culture change as we work through these changes in 2019-20 and beyond

It will be important for the Council to modernise its services to make them more accessible and easier to use. We will do this by:

- Focusing on performance, quality and getting the basics right to reduce demand failure by using our data intelligently to improve services to citizens
- Using Invest to Save principles to enable greater focus on early intervention and prevention within our service redesign work
- Delivering political priorities and outcomes
- Focusing on excellence in customer experiences
- Robust commissioning of outcomes and ensuring delivery of the 'right' service, irrespective of whether they are delivered internally or externally
- Enabling economic growth
- Prevention and early intervention
- Encouraging innovation and a commercial approach. Evidence based decision making at all levels, supported by effective performance management.
- Changing the Council's use of property to provide a more consistent set of 'public hubs' for local service delivery whilst refreshing our relationship with community organisations and their use of buildings
- Improving the BRUM account service that enables citizens to access Council services online to make sure that, wherever possible, we get things right first time
- Bringing Information Technology services back from the current supplier to a new operating model in the Council to deliver benefits to citizens and the workforce

Crucially, all of these require a One Council approach, embedded across the whole organisation.

But this is not the Council's journey alone. Individuals and communities from across the city will need to become more involved in supporting services at a local or neighbourhood level. The challenge for the Council and its partners will be to enable this to happen. These changes will affect individuals – where the Council will seek to enable people to live independent lives – whilst also helping communities as we look to put partners, citizens and neighbourhoods at the heart of decision making.

Working with our partners, we will continue to:

- Support people to live independent lives and preventing need by:
 - Adult social care: three year transformation programme that aims to get social work teams working alongside community groups, health partners and neighbourhood networks commissioned from third sector organisations
 - Aging Well programme of redesigned care and NHS services to manage demand in the system in a more integrated way

- Enablement service to become an occupational therapy-led service which will focus on enabling adults and older people to remain independent in their own homes
- Modernising our Special Educational Needs and Disabilities service (SEND) and Travel Assist delivery to ensure we are delivering better outcomes for our vulnerable young people
- Enhancing our work on skills and employability to raise aspiration and ambition working with young people, schools, colleges, universities, businesses and the West Midlands Combined Authority
- Preventing homelessness through a re-design of housing options and delivery of the Housing First regional programme
- Putting services closer to people and encouraging more people and communities to get involved through our new vision for 'localism' through the 'Working with Neighbourhoods' policy

To tackle these challenges the Council needs to adapt and change the way it operates. By having a clear purpose, understanding of its ongoing role in the city and listening to citizens, partners and the business community of Birmingham the Council will continue to make a positive difference every day.

Listening to feedback

Throughout this journey the Council will seek out and listen to the citizens of Birmingham. For instance, feedback to the most recent budget consultation (November – December 2018) broadly agreed with the majority of the proposals. There were a number of areas of concern, including: the impact of the proposals on the most vulnerable in the city, recognition of the positive impact of the arts and cultural sector in the city and a desire to ensure that visitors to the city get the best possible welcome. The Council has listened to this feedback and adjusted a number of proposals in its latest financial plan.

Remaining tough choices

Savings proposals, totalling £84.8m by 2022/23, are itemised in the full financial plan below. The savings include, but are not limited to, projects and programmes which cover:

- Demand management – reducing or eliminating as far as possible avoidable demand and delivering better outcomes for residents and communities by targeting better preventative and support services, developing independence and self-reliance. This is particularly evident in the Adults Transformation programme, covering savings relating to Adults Packages of Care (AD001), Social Work Assessment and Care Management (AD002) and Specialist Care Services (AD007)
- Costs reductions through further general efficiencies, property rationalisation and utilisation, consolidation of services and reduction in the management tier of the organisation so that scarcer resources can be diverted to the front line

- Income maximisation via general uplifts or fees and charges and maximisation of external funding e.g. grants
- Channel shift – the increased roll out of a digital solution for customers to access Council services
- Redesign or changes to services in order to achieve better outcomes for service delivery, whilst achieving a cost saving

Notwithstanding the above, there are also proposals which will mean that some services are cut or ceased.

A city of growth where every child, citizen and place matters

Beyond the transformation change programme and the delivery of its financial management strategy, the Council will continue to support its significant investment programme – alongside key partners. Significant projects include the Smithfield development and the Curzon Investment Plan, plan. And, major infrastructure schemes such as High Speed 2 (HS2) and the Midland Metro Tram extensions are already attracting both private investors and new businesses to the region making Birmingham a key focal point.

And in four years the city will host the 2022 Commonwealth Games, which will be a tremendous catalyst for the whole of the city, encouraging further investment and jobs into the city and the region

These factors make Birmingham a location for growing economic success and will transform the lives of the citizens who live and work in the city.

CHAPTER 2: FINANCIAL STRATEGY

1. Overview

- 1.1. The Council has developed its budget in the context of the Council Plan 2018 – 2022. This clearly identifies the five outcomes that the Council is looking to deliver (as described in Chapter 1) and how the Council will measure its level of success against achieving these outcomes. Consideration has been given to the level of contribution services make towards the delivery of these outcomes in preparing this budget.
- 1.2. Transformation of Council services is of vital importance in order for the Council to become a modern Council delivering services fit for the 21st Century within the level of resources available to it. The Council has begun this path with transformation proposals within the Adult Social Care Directorate. It is envisaged that this service transformation will also help to reduce the costs of the service whilst assisting vulnerable people to access services in the community, closer to home rather than out of area. The Council will continue to look to transform its services in future years as it continues its modernisation journey.
- 1.3. As noted above, the Council's financial plans continue to be set in the context of reducing resources from Government, although there have been some recent increases in Government grants for specific purposes, and specifically to support adult social care services. At the same time, and in common with other organisations, the Council continues to face increases in costs, particularly those relating to inflation (pay awards and general price increases) and increasing service demands, for example in adult social care, children's special educational needs (funded through Dedicated Schools Grant) and in the provision of services to homeless people.
- 1.4. Given budget pressures increasing by more than the change in resources, the Council will have to make further savings in the costs of some services in order to deliver a balanced budget which we have a statutory obligation to do. Improvements will be made in the efficiency of service delivery, and this may mean services are delivered in different ways. Funds will be focused on preventative services and to improve the independence of citizens wherever possible. In some instances this will involve working in collaboration with other agencies, with the primary focus being on the quality of services provided rather than who provides it.
- 1.5. Despite the approach set out above, it is inevitable that there will be cuts in service provision in some places; this is unavoidable. However, the Council will ensure that people pay a fair price for those services which are not free at point of use, in order to generate funds to enable us to minimise the impact on Council services of budget reductions.
- 1.6. Extra investment in services and plans for expenditure reductions have been informed by the Council's priorities, as set out in the Council Plan published in June 2018.

- 1.7. In order to provide funds for Council services, and to mitigate the impact of budget reductions as much as possible, it is proposed that the amount of Council Tax is increased by the maximum amount permissible by the Government without the need for a referendum. In 2019/20 this will entail an overall increase of 4.99%, which includes a general increase of 2.99% together with a further Social Care Precept which adds an extra 2.00%. Future financial plans currently assume a subsequent annual increase of 1.99%, but no decisions have yet been taken on this and the position will be re-considered in future in the light of the Council's financial position and any further guidance which is received about the amount permissible by Government. It is anticipated Council Tax income will be £347.4m in 2019/20. This is 12.5% of the Council's total income.
- 1.8. The Council needs to make sure that its financial plans are sustainable in the medium and long term. This means that it has to work to a balanced budget, without the need to draw down its reserves. Reserves are held for a number of purposes, including funds:
- Ringfenced for specific purposes, such as school funding, Government grants and money held in the Housing Revenue Account
 - Which the Council has earmarked for certain specific purposes where the timing of any costs is uncertain
 - To meet costs on an "invest to save" basis, with any initial investment being repaid
 - Held as a general contingency in case of financial difficulty, but only available as a last resort should all other actions prove insufficient.
- 1.9. Any use of reserves, set out in Chapter 3, will be in accordance with the Reserves Policy (Appendix C) approved by Cabinet in January 2019.
- 1.10. Through its capital programme the Council will also continue to invest in priorities such as continuing to maintain and improve Council assets, including its buildings and roads, and facilitating the growth in the Birmingham economy through major projects and supporting businesses in the city.
- 1.11. A significant element of the capital programme is funded by Government grants for designated purposes. The capital receipts which the Council generates from asset sales may also be used to finance capital expenditure, or to meet its residual equal pay liabilities. The Council also has the power to borrow funds to finance capital investment. However, as the cost of financing that debt becomes a fixed commitment against the revenue budget, the Council will seek over the medium term to manage its new borrowing for normal service delivery at a level which is close to the amount which it sets aside each year for debt repayment. However, the short-term requirement to invest in assets for the Commonwealth Games, including housing that will be available subsequently, will be outside this policy.

- 1.12. In order to meet its borrowing requirement, the Council will maintain an approach which balances the use of short-term, variable rate debt and longer-term, fixed rate borrowing instruments. Short-term rates are currently cheaper, but are expected to increase in the future, whereas longer term rates are currently more expensive, but are fixed for the entire life of the loan and therefore provide more budget certainty.
- 1.13. The Council's debt management and investments will be managed in accordance with the relevant codes of practice published by the Government.

2. Revenue Budget Context

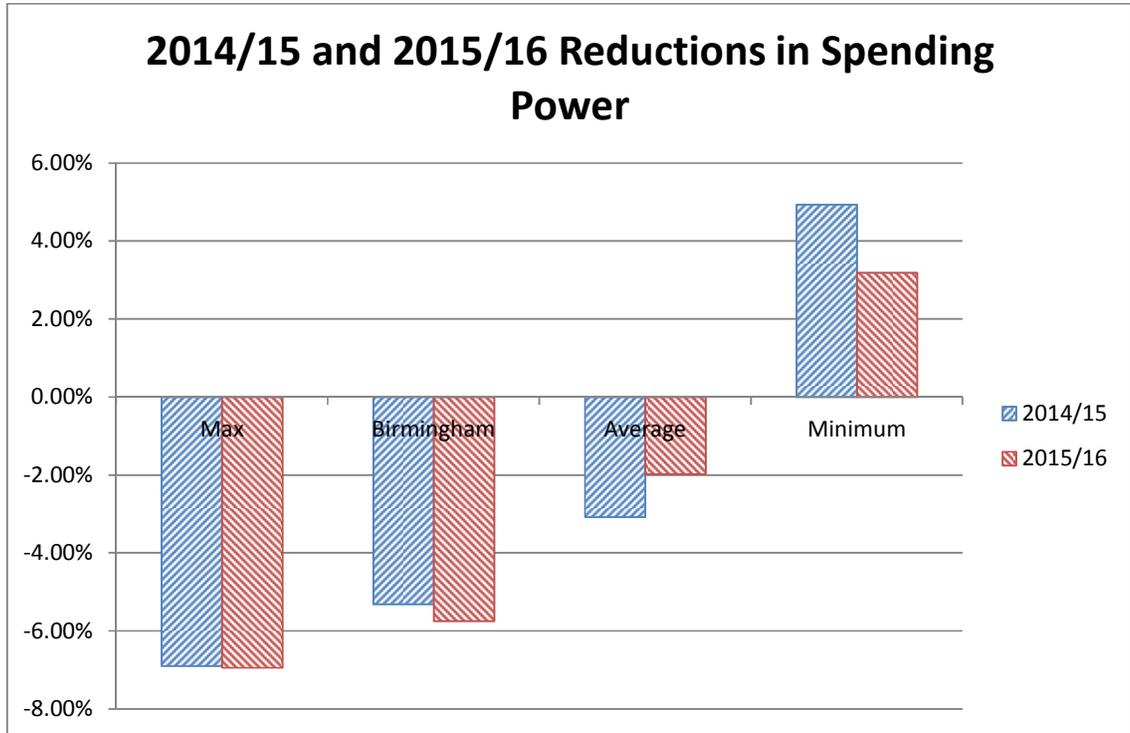
- 2.1. The Council is going through the most prolonged period of budget reductions in its history, requiring difficult decisions to be made about which services to cut. At the end of 2019/20 the Council will have had to address ten years of austerity resulting in reductions in its funding. By the end of 2019/20 the Council will have had to deliver ongoing savings of £736m, including the impact of grant reductions over the ten year period and the budget pressures which the Council will have funded. Including all four years of this Medium Term Financial Plan, the Council estimates that it will have made around £775m of savings by 2022/23.
- 2.2. 2018/19 was a challenging year for the Council, working to a net budget of £855.2m, including a savings programme of £52.9m. At the time of the Period 9 budget monitoring report the Council forecast that it would overspend its budget by £2.0m after mitigating savings non-delivery and base budget challenges. The Council anticipates that it will identify further mitigations in order to remove this overspend completely in 2018/19.

3. Local Government Funding

- 3.1. Following the 2010 General Election, successive Governments have embarked on a policy of "austerity". Local Government as a sector has received greater proportions of spending reductions than other Government departments.
- 3.2. The Council has been disproportionately impacted by the scale of the reductions in funding that it has received relative to other authorities. In 2011/12 and 2012/13 the Government withdrew significant amounts of funding from specific grants that were allocated to local authorities based on levels of need (e.g. Working Neighbourhoods Fund, Area Based Grant and reductions to Early Intervention Grant).
- 3.3. From 2014/15 the Government changed the method by which it reduced general grant funding to individual local authorities. This resulted in broadly equal percentage reductions in core grant across local government. However, those local authorities that rely more heavily on Government funding as a proportion of their budget were required to deliver a greater proportion of savings, in effect giving those areas in greatest need the

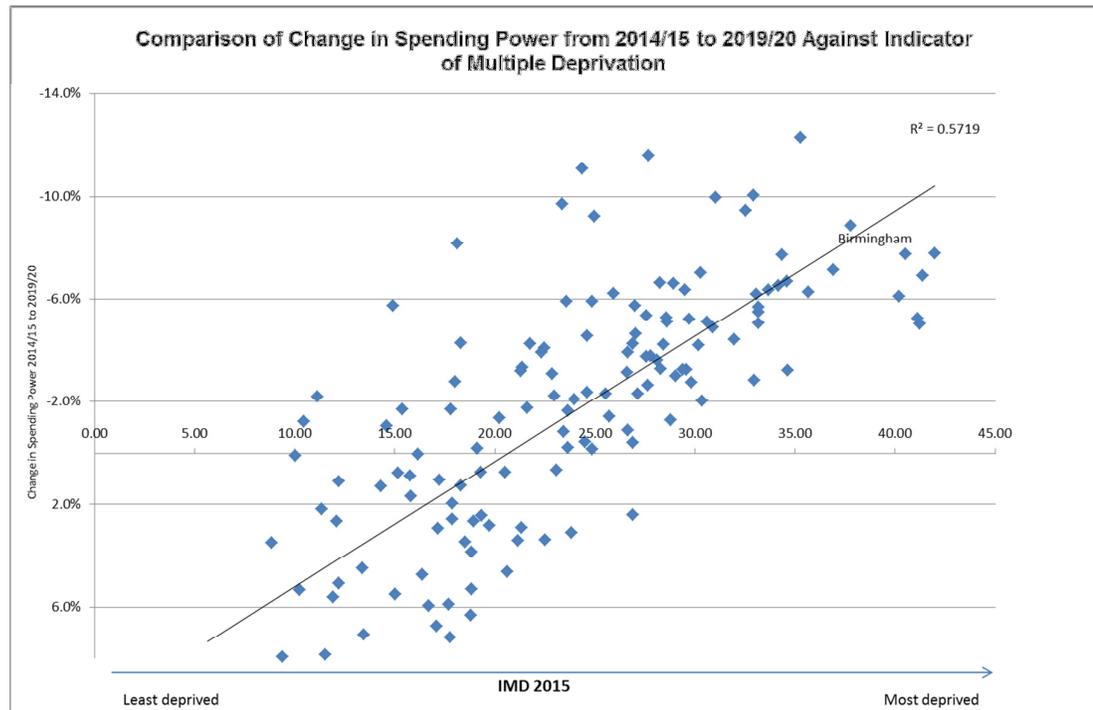
greatest level of cuts to make. This was demonstrated in the Government's own calculations of spending power as shown in Figure 2.1.

Figure 2.1 Reductions in Spending Power



3.4. The Council recognised this and lobbied the Government for a fairer approach to allocating cuts. From 2016/17 the Government adopted the new method put forward by the Council. This change benefitted the Council by over £30m in 2016/17 and over £50m in 2017/18 but the Government has not adjusted. However, the Government has not adjusted the historic impact of the disproportionate cuts in 2014/15 and 2015/16. It is estimated that this has reduced the Council's annual resources by around £100m. Figure 2.2 demonstrates that despite cuts being broadly proportionate across local government since 2016/17, Birmingham (and other high deprivation authorities) has still suffered proportionately greater cuts between 2014/15 and 2019/20 than those with lower levels of deprivation.

**Figure 2.2 Spending Power Cuts Compared to Levels of Deprivation
2014/15 – 2019/20**



4. Budget Pressures

4.1. As well as the significant level of funding reductions that the Council has faced, it has also had to contend with budget pressures. Over the period 2014/15 to 2018/19 the Council has had to fund specific budget challenges including:

- Inflationary pressures – over £50m
- Demographic changes in Adult Social Care – over £43m
- Pension Fund costs – over £40m
- Investment in Children’s Services – around £35m
- Business Charter for Social Responsibility – over £16m
- Waste Management – almost £14m

4.2. The Council has taken a prudent approach to identifying and funding pressures within its budget. This has meant that there has been limited opportunity to invest in priority areas given the funding reductions that the Council has faced. However, the Council has identified a number of key priority areas in which it has chosen to make specific investment, particularly Children’s Social Care and the Birmingham Charter for Social Responsibility. Introducing the Business Charter for Social Responsibility ensured that companies with which the Council enters into contracts pay their staff the Living Wage.

- 4.3. Finding additional funding to invest in Children's Social Care proved to be a significant challenge given the Council's financial position. However, the Council understood that finding additional resources to recruit additional social workers and ensure resources were available to address the demand in numbers of looked after children was essential so that children from every background and community in the city have the best start in life in order to reach their full potential. In doing so, the Council recognised that for every additional priority invested in, additional savings would need to be found elsewhere in the Council.

5. Medium Term Funding Outlook

- 5.1. Significant uncertainty remains with the Council's resources over the medium-term. There are a number of Government policy announcements and decisions that need to be implemented in the near future that have significantly reduced levels of certainty in resources, as described below.

5.2. Government Funding and the 2019 Spending Review

- 5.2.1. 2019/20 is the final year of the Government's current Spending Review Period and fixed local government finance settlement. Therefore the Council has little information to inform the overall level of Government support that will be made available to local government from 2020/21 onwards.

5.3. Local Government Funding Formula Review

- 5.3.1. The Government allocates resources across local government using a formula that assesses "need to spend" and ability to raise resources through Council Tax. This broadly aims to allow all local authorities to provide a similar level of services for a similar level of Council Tax charge to residents. Simplistically, those with high levels of "need" and low levels of total Council Tax income receive proportionately greater levels of Government funding than those with lower levels of "need" and greater ability to raise Council Tax.
- 5.3.2. The Government last updated the formula by which it distributes resources across local government in 2013/14. As described in Section 3, the methodology adopted to reduce funding to local authorities in 2014/15 and 2015/16 disproportionately impacted on those with high levels of need and low ability to raise Council Tax. The Council estimates that it receives around £100m less resources annually as a result of this.
- 5.3.3. Whilst the Formula Review could be expected to offer increased resources for the Council, the Government has expressed its desire to introduce an entirely new formula, with one of the Government's stated aims for it to be simple, transparent, robust and stable. Not all of these aims automatically align and they could conflict with one another, which may mean that the new formula does not recognise need, and in particular levels of deprivation, to the same extent as has happened previously. The Council has made, and will continue to make, representations to the Government that the most important aspect of

the new formula is to ensure that funding reaches those authorities with the highest levels of deprivation and citizens in need of services.

- 5.3.4. The Council has made an assumption that general resources from the Government will remain constant in real terms, therefore taking a middle ground approach in terms of future expectations.

5.4. Local Retention of Business Rates

- 5.4.1. In 2013/14 the Government introduced the Business Rates Retention Scheme which allowed local government to retain 50% of its Business Rates income. This was introduced as an incentive scheme to encourage local government to grow its Business Rates income.
- 5.4.2. From 2017/18 the Council, along with the other West Midlands District Councils, entered into an agreement with the Government to pilot the introduction of 100% Business Rates Retention, on the condition that it forgo other Government grant income. The Council is able to retain a greater amount of Business Rates income as a result. The Government had intended to roll out 100% retention nationwide from 2020/21. However, the legislation to introduce this fell due to the timing of the last General Election and has not been reinstated. The Government now intends to introduce 75% Business Rates retention from 2020/21 with a long-term aspiration to introduce 100% retention. It is not clear whether the Government intends to allow the West Midlands Pilot to continue in 2020/21 or not.
- 5.4.3. In moving to 75% retention, the Government has also acknowledged that the current scheme is incredibly complex and discussions are taking place to consider options for simplifying the scheme. This could change the methodology by which the incentive effect regarding rewarding Business Rates growth is calculated.
- 5.4.4. Appeals against Business Rates bills are also a significant unknown within the budget. Where a business submits a successful appeal against its rateable value, refunds can be awarded back to the beginning of the Valuation List, regardless of when the appeal was submitted. Based upon previous experience the Council makes assumptions around the level of appeals that will be successful and sets aside resources in anticipation of this in order to reduce risk to the Council. However, the Government changed the approach through which appeals are required to be submitted in 2017/18. This has resulted in far fewer appeals submitted to date than may have been expected previously. The Council is acting prudently by putting aside resources based on previous experience but if there are successful appeals which are significantly out of line with previous trends then the Council will have to address this.

5.5. Planning Assumptions Despite Significant Uncertainty

- 5.5.1. Despite the significant levels of uncertainty described above the Council continues to make plans over the medium term. It is not clear if any of these

risks or potential financial gains will materialise. Therefore, the Council has applied a financial strategy of monitoring these risks, but planning on the basis of the status quo until further information is available.

6. Delivering Sustainable Financial Plans

6.1. Use of Reserves

- 6.1.1. The Council holds significant levels of reserves. Around £340m is held for specific purposes and are intended to be used when the activity for which they are held comes due. The Council also holds General Reserves which are available to the Council to manage emergencies and exceptional unforeseen events. Reserves are only available to use once and cannot be used as a replacement for ongoing savings requirements.
- 6.1.2. In recent years the Council has planned to use reserves in order to mitigate the need to identify savings required to balance its budget. In addition, where further overspends were identified during the year, further reserves were required to balance the budget. This can be seen in Table 2.3.

Table 2.3 Use of Reserves to Mitigate the Requirement for Savings.

	Planned £m	In Year £m	Total Use £m
2015/16	(40.763)	2.764	(37.999)
2016/17	(12.002)	(30.001)	(42.003)
2017/18	(42.234)	(20.871)	(63.105)
2018/19	(30.542)	4.000	(26.542)
Total	(125.541)	(44.108)	(169.649)

NB 2018/19 in-year use of reserves assumes that mitigations will be found to address the forecast £2.0m overspend estimated as part of Month 9 budget monitoring.

- 6.1.3. The Council recognises that this is not sustainable and has recently introduced a Reserves Policy (Appendix C) which makes it clear that general reserves should not be used to mitigate the requirement to make ongoing savings.
- 6.1.4. Any further use of reserves in the 2019/20 budget will be for purposes for which they have previously been earmarked or in respect of grant reserves to tie in with when expenditure is incurred.

6.2. Savings Delivery

- 6.2.1. In recent years the Council has encountered some issues in delivering its planned savings programme. Table 2.4 demonstrates the level of savings non-delivery in 2016/17, 2017/18 and forecast in 2018/19.

Table 2.4 Previous Savings Non-Delivery

Year	Planned Savings	Savings Non-Delivery	
	£m	£m	%
2016/17	88.2	55.8	63%
2017/18	70.9	22.6	32%
2018/19*	52.9	9.7	18%

* Month 9 forecast position

- 6.2.2. The Council has enhanced its Programme Management Office in 2018/19 to bring additional rigour and challenge to the identification and planning of savings proposals and furthermore to assist in the monitoring of their implementation and delivery. A new process has also been introduced in the development of the savings proposals to ensure that additional rigour has been introduced to identify clear implementation plans and responsible officers.
- 6.2.3. Furthermore, given the levels of non-delivery previously, the Council has introduced a budget delivery contingency of £12m. Therefore, if any savings proposals do encounter some delivery issues then the Council has learnt from its previous experience and planned for this eventuality. This means that if non-delivery of savings does occur and cannot be mitigated then the first call to address this will not be from reserves as it has been in previous years.

7. Capital Spend and Borrowing Costs

Strategic Context

- 7.1. The drivers of the Council's capital programme are complex, and bring together many aspects of the Council's service and financial planning. This is informed particularly by the Council Plan, which sets out the Council's planned outcomes and priorities for the medium term. These have been taken into account in the development and prioritisation of capital proposals as described below.
- 7.2. Key drivers of capital investment include:
- The Council's property, plant and equipment is valued at over £5.7billion in its accounts. Maintaining and developing this portfolio to be fit for the Council's future needs and service delivery models is a key focus of the Property Strategy (Appendix M)
 - The Council's schools estate continues to evolve rapidly 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
 - Economic regeneration and transport remain a key priority for the city's future prosperity, and the advent of the HS2 rail terminal at Curzon

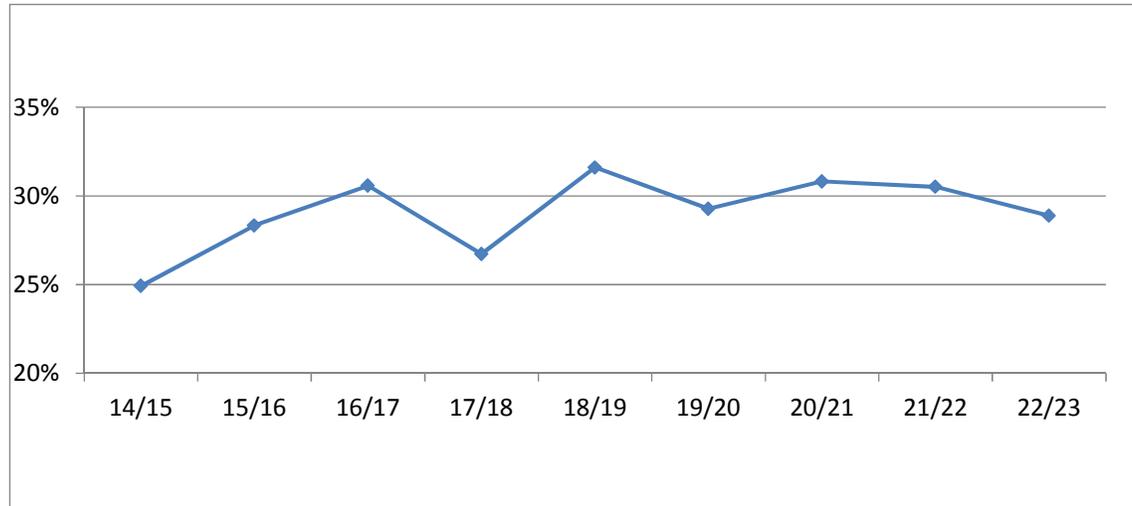
Street station represents a major opportunity which forms part of the city's Enterprise Zone

- Meeting the housing needs of Birmingham remains a major priority, both within the Council's Housing Revenue Account (HRA), and through its support for other housing development both for sale and for private rented accommodation
- The Commonwealth Games is a one-off opportunity for Birmingham which is a key priority for the next few years, as described in Chapter 6

7.3. 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 U. Table 2.5 shows that borrowing costs (including interest and repayment charges) in 2019/20 represent 29.3% of the net revenue budget. These borrowing plans reflect a substantial investment in capital but reduce the resources which would be otherwise available for other revenue priorities.

7.4. In order to ensure that borrowing remains at an affordable and sustainable level, the Council will seek over the medium term to manage its new prudential borrowing for normal service delivery at a level which is close to the amount which it sets aside each year for debt repayment.

Table 2.5 General Fund Financing Costs as a % of Net Revenue Budget



CHAPTER 3: REVENUE BUDGET

1. Background

- 1.1. Local government is funded from four main sources: grant funding from Central Government, a share of Business Rates income, locally raised income and Council Tax. Both business rate income and Council Tax income together combine to contribute approximately 94% of the Council's net budget. Other income is locally generated by the Council, and the Council's intention is to progress an income maximisation strategy in order to help to protect those services that contribute most to delivering the Council's priorities.
- 1.2. The overall resources available to the Council, covering the period from 2019/20 to 2022/23, are summarised in Table 3.1 below.

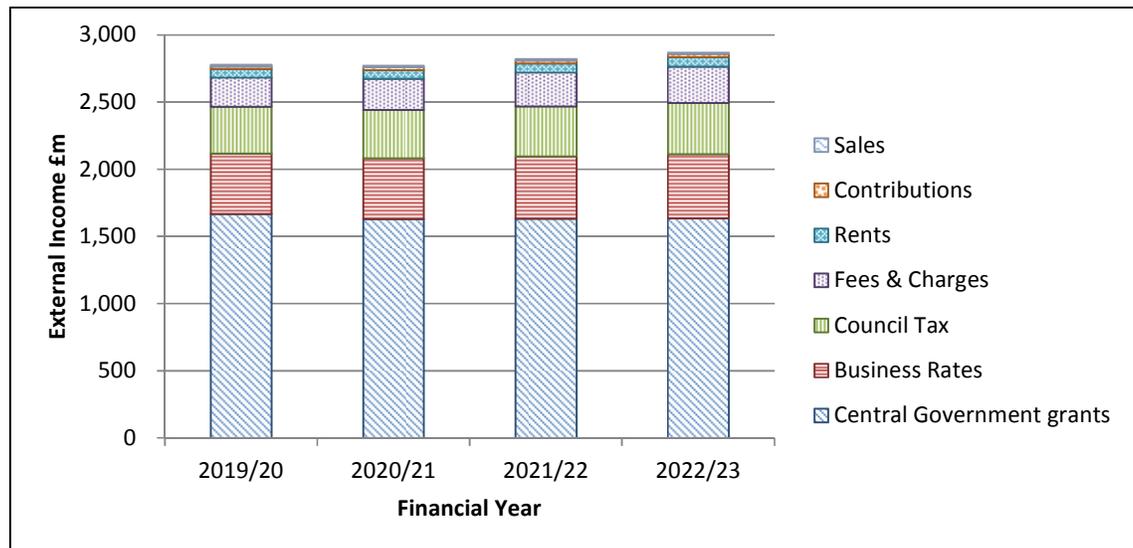
Table 3.1 General Fund Grant and External Income Resources

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Core Grants (Top Up)	91.744	54.447	55.426	56.533	57.662
Corporate Grants	96.414	127.409	110.654	112.622	113.687
Sub Total Corporate Grant Funding	188.158	181.856	166.080	169.155	171.349
Business Rates	418.064	437.069	450.904	464.769	476.937
Collection Fund Surplus/(Deficit) Business Rates	16.116	12.680	0.000	0.000	0.000
Council Tax	327.278	347.394	361.142	371.164	381.466
Collection Fund Surplus/(Deficit) Council Tax	1.987	0.000	0.000	0.000	0.000
Sub Total Corporate Funding	951.603	978.999	978.126	1,005.088	1,029.752
Directorate Grants	263.845	259.049	236.084	236.084	236.084
External Income ¹	306.178	312.204	330.146	352.316	376.593
Sub Total Corporate & Directorate Funding	1,521.626	1,550.252	1,544.356	1,593.488	1,642.429
Schools Funding (Ring-Fenced) ²	736.809	729.388	729.388	729.388	729.388
Grants to reimburse expenditure, esp.Benefits (Ring-fenced) ³	483.453	498.574	498.574	498.574	498.574
Total General Fund Grant & External Income	2,741.888	2,778.214	2,772.318	2,821.450	2,870.391
Annual % Change in Corporate Funding		2.9%	-0.1%	2.8%	2.5%
Annual % Change Core Spending Power		2.0%	N/A	N/A	N/A

The table above excludes use of reserves which are discussed later in Chapter 3

1. External Income has been forecast from 2019/20 based on information in the Savings Programme and CPI forecasts for future years.
 2. For the time being, Schools' funding has been assumed to remain unchanged in future years. No adjustments for schools transferring to academies or changes in funding formula have been made as there is too much uncertainty at present. However, schools will be required to contain spend within the resources available.
 3. Grants to reimburse expenditure, particularly Benefits - we have not sought to forecast future demand in this area.
- 1.3. Over the period 2018/19 to 2022/23, there will be a 3.4% increase in the Council's level of resources. The majority of this increase is due to resources generated by the Council. Corporate grant funding is expected to reduce by 9% over the period and Directorate grant funding by 11%.
- 1.4. The Council anticipates that £2.8bn income will be received in the form of Central Government Grants, Council Tax, Business Rates, rents and other fees and charges. This is depicted in Figure 3.2.

Figure 3.2 Income



2. Business Rates

- 2.1. From 2013/14, the Council was able to retain 49% of Business Rates collected in the city, with 1% retained by West Midlands Fire and 50% by the Government. From 2017/18, the Council, together with the other six West Midlands Metropolitan Councils, have been part of a local Business Rates Retention Pilot. This means that, after deduction of 1% of Business Rates which is paid to the West Midlands Fire & Rescue Authority, the balance is fully retained by each council. This arrangement will continue in 2019/20.
- 2.2. The Council has updated its forecasts of future Business Rates, including the impact of new developments and also further investigative work to ensure that all businesses pay the full amount which is due. The forecast for 2019/20 was approved by the Cabinet at its meeting on 22 January 2019. Through the combination of factors, Business Rates are forecast to increase to £437.1m in 2019/20 and it has been assumed that in future years there will continue to be real terms growth of 0.5% per annum on average plus the Peddimore development, as well as a general inflationary increase in line with the expected change in the Government's CPI indicator. In addition, the Council will continue to ensure the current valuations of properties are up-to-date to ensure all businesses are paying their appropriate level of Business Rates.
- 2.3. However, in accordance with the Devolution Deal entered into in 2016, the West Midlands Combined Authority is entitled to some of the real terms growth in Business Rates. Provision has been made within the budget for an appropriate payment to the WMCA in this regard, in accordance with the current calculation methodology. Whilst this arrangement may be appropriate as part of the pilot, it will not work once the Government moves to 75% retention in 2020/21 and eventually 100% retention. Birmingham will continue to work with the Government to find a solution whereby the Council retains all

growth eligible to it and the Government honours its Devolution Deal agreement.

- 2.4. Income from Business Rates is managed through a separate Collection Fund. Resources in 2018/19 are expected to exceed the amount forecast when the 2018/19 budget was set by £12.7m. This is largely as a result of anticipated appeals that have not yet been submitted plus an element of the provision for appeals brought forward from previous years that is no longer required. The Collection Fund surplus of £12.7m will be carried forward into 2019/20, of which £11.5m will be taken to reserves in anticipation of successful appeals against Business Rates being made.
- 2.5. An Enterprise Zone (EZ), managed by the GBSLEP, is in operation for certain sites within Birmingham city centre. All Business Rates growth, above an agreed baseline, is paid to the GBSLEP to support the delivery of its EZ Business Plan. Some of the projects within that plan may, in turn, be delivered by the Council.
- 2.6. As noted above, the Government plans to move to a system of 75% based retention of Business Rates from 2020/21, and has also launched a technical consultation on a proposed review of relative needs and resources for implementation in 2020/21. At this point it is not possible to forecast the implications for Birmingham. We have therefore rolled forward our forecast on the basis that the underlying impact of any new system is neutral. This is noted as a significant area of risk and uncertainty and will be kept under close review as more information becomes available.
- 2.7. The overall resources from Business Rates can be summarised as follows:

Table 3.3 Resources from Business Rates

	2019/20 Retained Business Rates Income £m	2018/19 (Surplus)/ Deficit * £m	Net Resources from Business Rates £m
City Council	(437.069)	(12.680)	(449.749)
WM Fire Authority	(4.415)	(0.128)	(4.543)
Sub Total	(441.484)	(12.808)	(454.292)
Enterprise Zone	(4.820)	1.029	(3.791)
Gross Business Rates	(446.304)	(11.779)	(458.083)

* Includes Surplus brought forward from 2017/18

3. Government Grants

- 3.1. As a result of being a part of the local Business Rates retention pilot, the Council no longer receives any Revenue Support Grant. However, it still receives a Top-Up Grant, to reflect the fact that the Government's estimate of retained Business Rates income is still less than the estimate of the Council's need to spend. The level of this grant was re-based at the time that the Business Rates Pilot was introduced in 2017/18 to ensure that the overall

“baseline” level of funding for the Council remained the same as it would have been under the previous arrangements. The Council’s Top-Up Grant will reduce by £37.3m to £54.4m in 2019/20.

3.2. Other corporate grants are also received, principally in the form of:

- compensation for the impact of Government decisions to constrain the increase in the Business Rates multiplier £12.4m
- increased Business Rates relief for small businesses £32.6m
- New Homes Bonus relating to new housing £6.9m
- Improved Better Care Fund £60.3m
- Winter Pressures Grant £5.6m
- Social Care Support Grant £9.6m

3.3. The Business Rates related grants are expected to increase by £7.5m to £45.0m in 2019/20.

3.4. The New Homes Bonus (NHB) is a general grant allocated on the basis of latest net new home completions, conversions and empty properties brought into use within the city. The grant is provided to help fund the additional services required for the new properties and those living within them. Birmingham’s allocation for 2019/20 is anticipated to be £6.9m, a decrease of £1.2m compared to 2018/19 allocations. Forecasts beyond the current year assume that income will reduce based on Government indications that it is considering increasing the threshold before which the grant is paid.

3.5. Improved Better Care Fund (iBCF)

Government provided £3.9bn nationally to local authorities, over the period 2017/19 to 2019/20, to support transformation in integrated health and social care. This funding was allocated particularly to those authorities that were able to generate less income through the Social Care Precept, such as Birmingham. Birmingham’s share of the grant in 2019/20 is £60.3m.

The iBCF is available to meet adult social care costs and reduce the pressures on the NHS, including reducing delayed discharges from hospitals. The funding can be used to:

- Fund additional care services
- To help address the demographic growth in adult social care
- To fund inflation and increases in pension costs
- To facilitate investment in order to deliver planned savings
- To pool budgets and deliver jointly agreed projects with our NHS partners

3.6. Winter Pressures Grant

The Council will receive £5.6m of Winter Pressures Grant in 2019/20, the same as the allocation received in 2018/19. This funding is required to be reported on through Better Care Fund (BCF). The funding is intended to enable further reductions in patients who are medically ready to be discharged from hospitals but are delayed whilst they await adult social care services.

3.7. Social Care Support Grant

The Government has announced this one off grant, and confirmed Birmingham's allocation in 2019/20 as £9.6m. This grant is un-ringfenced and provided as a direct response to local authorities' concerns about pressure on adult and children's social care services and it is expected that this funding will be used to meet those pressures. It does not prescribe how much should be spent on adult or children's social care.

3.8. The Government also allocated a range of other specific grants. Full details are set out in Appendix B.

3.9. Further information on funding for education services, including schools, is set out in Chapter 4. The total Dedicated Schools Grant is expected to be £661.3m in 2019/20, subject to the finalisation of pupil numbers. Total schools' funding is expected to be £729.3m in 2019/20.

4. Council Tax

4.1. For 2018/19, Birmingham's element of a Band D Council Tax was £1,315.22 per year. Table 3.4 below compares the level of Council Tax in Birmingham against other areas and shows that Birmingham continues to be a relatively low Council Tax area, some 21% lower than the average Metropolitan Band D rate.

Table 3.4 Average Area Band D Council Tax and Annual Percentage Change 2018/19

	2018/19	
	£	%
England	1,671	5.10
Unitary areas	1,729	5.40
Metropolitan areas	1,658	5.30
Birmingham	1,315	3.99

Source: MHCLG Statistical Release 9 April 2018

4.2. There will be a combined general and Social Care Precept increase in Council Tax of 4.99% in 2019/20, and increases of 1.99% used as a planning assumption in later years. Even with the planned increase of 4.99%, it will mean that Birmingham's average Band D rate will still be comparatively low.

As part of its 2015 Spending Review, the Government announced new powers for Councils responsible for adult social care to raise additional Council Tax equivalent to 8% for a “Social Care Precept” over the period 2016/17 to 2019/20. The Council will apply the final 2% of this additional charge in 2019/20 as part of the overall increase of 4.99%. Over the four years, this will have generated additional funding of around £24.0m, to be used for adult social care. As the general increase of 2.99% is not greater than the amount determined by the Government as excessive, there will not be a requirement for a referendum on the Council Tax increase.

- 4.3. The Council has updated its forecasts of the number of homes in the city, including the impact of new developments, exemptions and discounts in order to ensure that everyone pays their fair share for the services provided by the Council. The forecast of 251,580 Band D equivalent properties for 2019/20 was approved by the Cabinet at its meeting on 22 January 2019. It has been assumed that, subsequently, the number of dwellings will increase by an average of 0.8% per annum.
- 4.4. The overall Council Tax Requirement in 2019/20, determined in accordance with the statutory calculation (see Appendix G), is £347.4m, which results in a Band D Council Tax amount for Council services of £1,380.85. Table 3.5 below shows how the Council’s gross expenditure translates into its Band D Council Tax amount. As required by law, it also shows this calculation when including Parish Precepts and Economic Zones’ Business Rates growth.

Table 3.5 Council Tax Requirement

	City Council Services	Incl. Parish Precepts and Enterprise Zone Growth
	£	£
Gross Expenditure	3,108,921,376	3,113,523,893
Parish Precepts		1,882,539
Less: Estimated Income (excluding Business Rates, Top Up Grant and Council Tax)	(2,257,331,118)	(2,258,142,747)
Net Expenditure	851,590,258	857,263,685
Less:		
Business Rates	(437,068,989)	(441,888,569)
Business Rates (surplus)/deficit	(12,680,300)	(11,651,608)
Revenue Support Grant	0	0
Top Up Grant	(54,447,064)	(54,447,064)
Council Tax Collection Fund (surplus)/deficit	0	0
Council Tax Requirement	347,393,905	349,276,444
Divided by taxbase	251,580	251,580
Band D Council Tax	1,380.85	1,388.33

- 4.5. The Council will continue to award a discount of up to 80% to those in receipt of Council Tax Support. This discount is dependent on the income and circumstances of the claimant and is applied in general to those of working

age with low income. However, a discount of up to 100%, dependent on income and circumstances, is applied to the following categories of people on low income:

- Pensioners (as prescribed by legislation)
- Parents of dependent children aged 6 or under
- Those who qualify for a carer's premium
- Disabled people in receipt of a disability premium or a disabled child premium
- War pensioners
- Claimant or partner in receipt of Employment and Support Allowance with a qualifying benefit

The criteria remain unchanged from the previous year.

- 4.6. During 2019 the Council intends to review the Council Tax Support scheme. Any new proposals will be subject to extensive consultation and, dependent on the outcome of the consultation, changes may be made to the level of support awarded.
- 4.7. Income from Council Tax is also managed through a separate Collection Fund. Resources in 2018/19 are expected to be in line with the amount forecast when the 2018/19 budget was set. No variation will be carried forward into 2019/20.

5. Precepts

- 5.1. The Council also collects the precepts for the Police & Crime Commissioner and the Fire & Rescue Authority, together with New Frankley in Birmingham Parish Council and Royal Sutton Coldfield Town Council.
- 5.2. At his meeting on 8 February 2019, the Police & Crime Commissioner approved a Precept of £152.55 for a Band D property. At its meeting on 18 February 2019, the Fire & Rescue Authority approved a Precept of £60.60 for a Band D property.
- 5.3. At its meeting on 17 December 2018, the New Frankley in Birmingham Parish Council determined that the Parish Precept for 2019/20 will be £23.09 for a Band D property. At its meeting on 19 December 2018, the Royal Sutton Coldfield Town Council approved a Precept of £49.96 for a Band D property.
- 5.4. The Mayor of the West Midlands has ruled out the prospect of introducing a precept until at least 2020.
- 5.5. Full details of the calculations are set out in Appendix G, and are summarised in Table 3.6.

Table 3.6 Precepts

	Band D Council Tax 2018/19 £	Band D Council Tax 2019/20 £	Increase/ (Decrease) £
Birmingham City Council	1,315.22	1,380.85	65.63
Fire and Rescue Authority	58.84	60.60	1.76
West Midlands Police & Crime Commissioner	128.55	152.55	24.00
New Frankley in Birmingham	34.00	23.09	(10.91)
Royal Sutton Coldfield	49.96	49.96	0.00

6. Fees and Charges

- 6.1. An increased commercial approach will be taken across the Council to ensure that local fees and charges are market driven and at least cover the cost of provision. As part of this process, the Council has undertaken a comprehensive review of the way in which many services view income and expenditure, leading to increased income in some services and withdrawing from other services that do not deliver value for money.
- 6.2. As part of the budget setting process for 2019/20 an initial review of the Council's approach to fees and charges was undertaken, which identified improvements that were required in price setting, cost recovery and also an opportunity to streamline the governance process relating to price setting. This review will be ongoing in 2019/20, with further changes identified and implemented and embedded into the Councils business-as-usual operations for future years.
- 6.3. Full details about the approach adopting in setting the new fees and charges and a full schedule of charges is included in Appendix X.

7. Housing Income

- 7.1. Further information on income within the Housing Revenue Account, including details of Rent and Service Charge income is set out in Chapter 5. Total income will be £273.8m in 2019/20.

SPENDING DEMANDS**8. Background**

- 8.1. The Council's medium term financial strategy is shaped by the particular financial circumstances facing Birmingham, which in turn result mainly from the national context, outlined in Chapter 2. In summary, the Council is faced with a range of significant pressures on its finances over the medium term as a result of:

- Downward pressure on the funding available through Government grant
- Limited scope to increase Council Tax and other fees and charges

- Demand for our key services increasing
- Changing expectations from Government or the public on the level of service

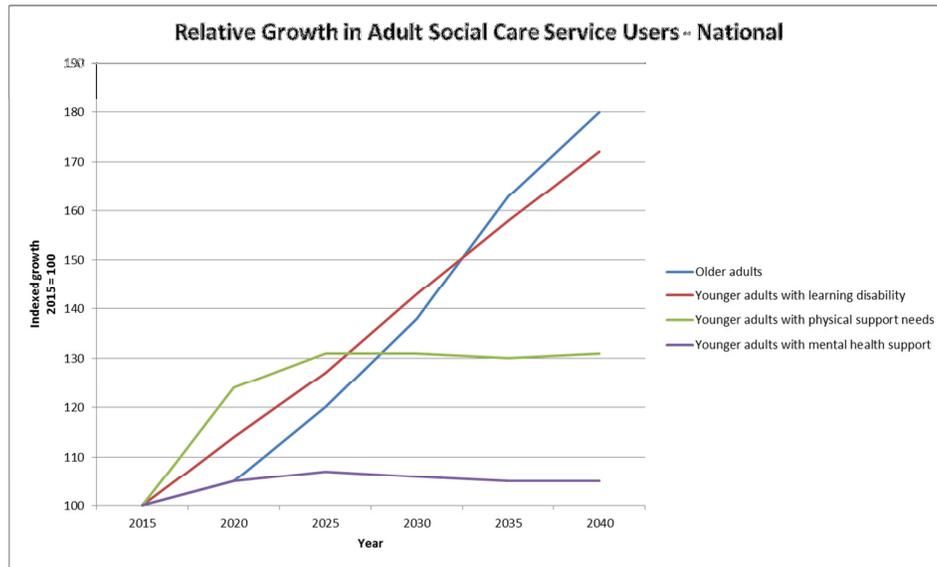
8.2. Increasingly, the Council needs to manage reductions in its resource base at a time when demand for key services is increasing. As for any organisation, the Council faces increased spending demands as a result of inflation, national pay awards, increasing demands for services and external factors such as changing service requirements placed on the Council. This section outlines the most significant challenges faced by the Council and the strategies to manage and mitigate the consequences.

9. Service Pressures

Adult Social Care

- 9.1. Nationally, the Government has acknowledged that demographic changes are leading to a growing demand for both adults and children's social care services and placing increasing pressures on Council budgets. In recognition of this, Government has allocated additional funding of £650m for 2019/20 within the Local Government Finance Settlement to partially address this and to alleviate winter pressures on the NHS and to improve the social care offer for older people, people with disabilities and children. Birmingham has been allocated an additional £15.2m in 2019/20 only, of which £9.6m is unringfenced.
- 9.2. Increased costs within Adult Social Care arise due to a number of issues, specifically general population growth, and an ageing population with increasingly complex needs, combined with rising acuity levels. The increasing costs associated with providing care for long term complex needs has created a budget pressure, largely due to the impact of the Living Wage on the care sector which is historically, on the whole, a low paid workforce. There are further additional pressures during the winter period when there is a generally increased demand for care.
- 9.3. Figure 3.7, using data from the Personal Social Services Research Unit's June 2018 report, shows national projected growth in the number of service users of adult social care. This forecasts that demand for older adults and younger adults with learning disabilities are anticipated to grow significantly but growth in younger adults with sensory and mental health are expected to be broadly flat.

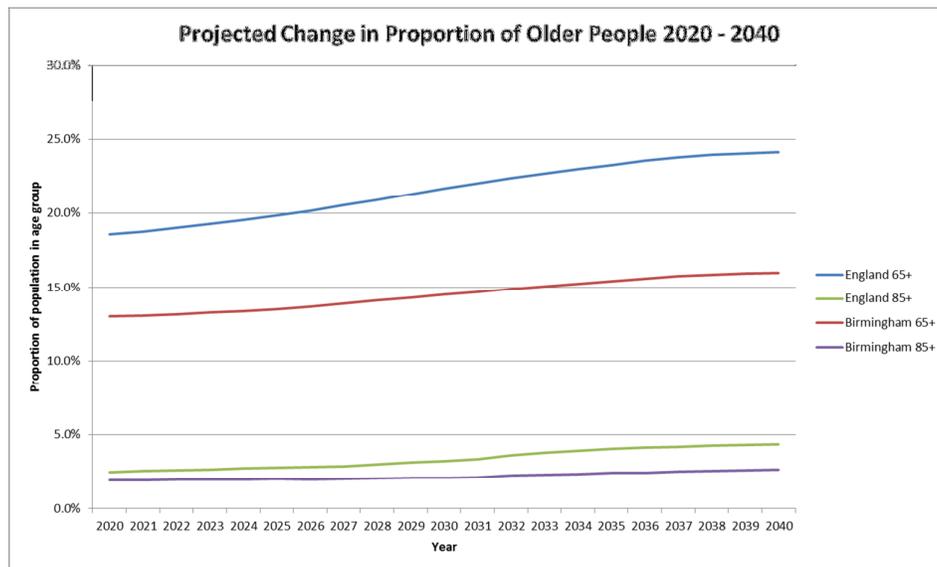
Figure 3.7 Growth in Adult Social Care Service Users



Source: Data extracted from Projections of Demand and Expenditure on Adult Social Care 2015 to 2040, Personal Social Services Research Unit June 2018

- 9.4. Birmingham’s populations for both over 65s and over 85s are expected to increase, but at a rate lower than the England average. The anticipated increases are reflected in Figure 3.8.

Figure 3.8 Change in Proportion of Older People



Source: Population projections 2016, Office for National Statistics

- 9.5. The current financial plan seeks to address the risks associated with the Adult Social Care budget by investing a further £8.5m annually to fund demographic pressures. In addition, the service is driving forward a Transformation and Change Programme to ensure that the citizens of Birmingham will benefit

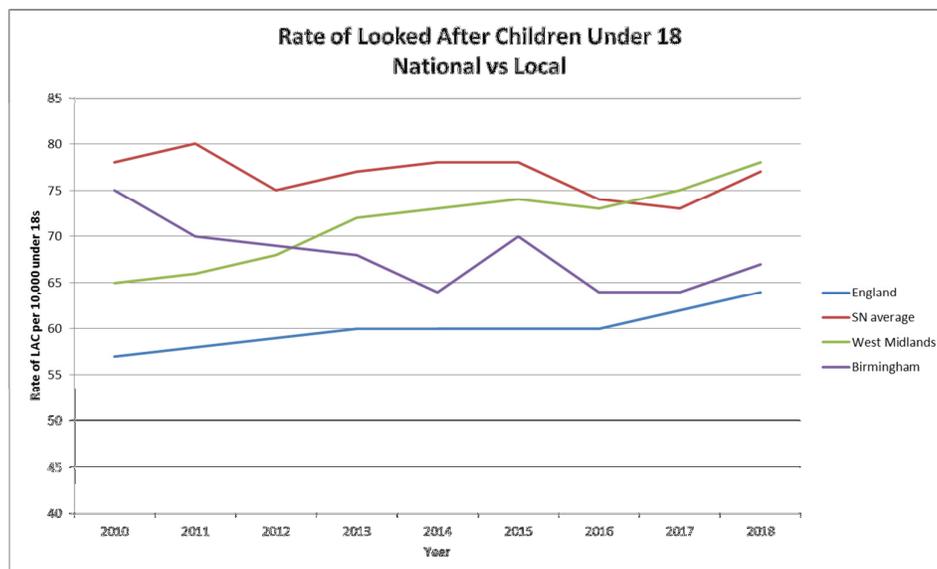
from living independently for longer, that there is reduced isolation, active citizenship and closer community working. The service redesign will focus on enablement, shared living and building community capacity. As a result of these changes, the Council anticipates a graduated reduction in demand, starting from a 5% diversion away from formal care in 2018/19 rising to 30% in 2021/22. The planned service reforms are expected to help deliver Outcome 3, Birmingham is a fulfilling city to age well in, priorities 1 – 3 of the Council Plan, specifically:-

- Priority 1 – We will work with our citizens to prevent social isolation, loneliness, and develop active citizenship
- Priority 2 – We will improve care for older people
- Priority 3 – Citizens and communities will have choice and control over their care

Children’s Services

- 9.6. Children’s services continue to face significant demographic and demand pressures as a result of high birth rates, increased migration into the city and increased population of children and young people with complex needs. There is also increased demand for Special Educational Needs and demand for the SEND transport service (locally known as Travel Assist).
- 9.7. Birmingham’s rate of children in care per 10,000 children under 18 is less than both the statistical neighbour (SN) and West Midlands average, and greater than the England average. The graph below depicts the national, regional, statistical neighbour and England data for the period 2010-2018.

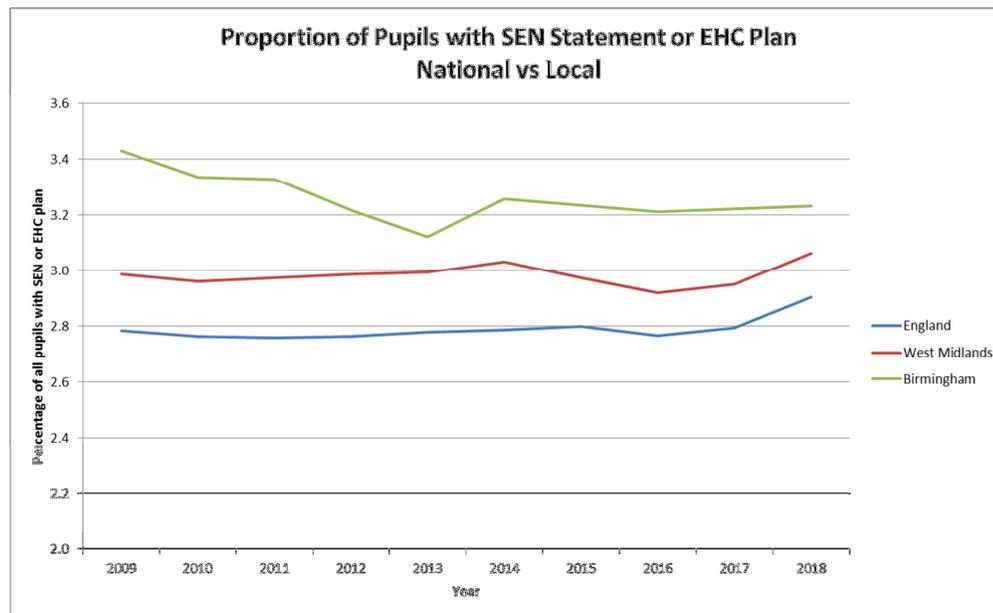
Figure 3.9 Rate of Looked After Children



Source: Children looked after in England including adoption, Department for Education

- 9.8. The Council created the Birmingham Children’s Trust, which officially launched on 1 April 2018 and assumed responsibility for Children’s Social Care services across Birmingham. The Trust is managing budget pressures, through a combination of the funding agreed as part of the contract with the Council and achieving efficiencies in the delivery of service and savings through preventative measures. The Trust was forecasting an overspend of £0.9m, at September 2018, though it was expecting to come in line with budget after mitigations. Further savings have been agreed and are targeted in 2019/20.
- 9.9. In addition to this, Birmingham has a higher percentage of pupils with an Education, Health and Care (EHC) Plan or Special Education Needs statement than both the West Midlands and England averages. This means that Birmingham has a higher proportion of children to whom it is more expensive to provide support, thereby contributing to the increased budget pressures. Trends over time are shown in Figure 3.10 below.

Figure 3.10 Pupils with SEN Statement or EHC Plan



Source: Table 12 Number of pupils with a statement or EHC plan, Department for Education

- 9.10. To address the pressures on the High Needs budget (funded fully by the Dedicated Schools Grant), currently estimated to be in the region of £5.3m in 2018/19, the Council proposes to formulate a deficit recovery plan, which will seek to address the overall deficit, including the £13.8m brought forward, over a five year period. This will be achieved in conjunction with the actions agreed as part of the Written Statement of Action (WSAO) which were a response to the Ofsted SEND review which took place in July 2018. This will involve working more effectively on a partnership basis to reduce demand and budget pressure across the whole system. The additional Government funding for High Needs announced in December 2018, will provide additional funding of £3m in 2018/19 and 2019/20 which will be used for a combination

of invest to save and deficit reduction measures to support the deficit recovery plan. As this service is fully funded by the Dedicated Schools Grant (DSG), the pressure is not included in the budget pressures section. Further details on the Schools' budget are found in Chapter 4.

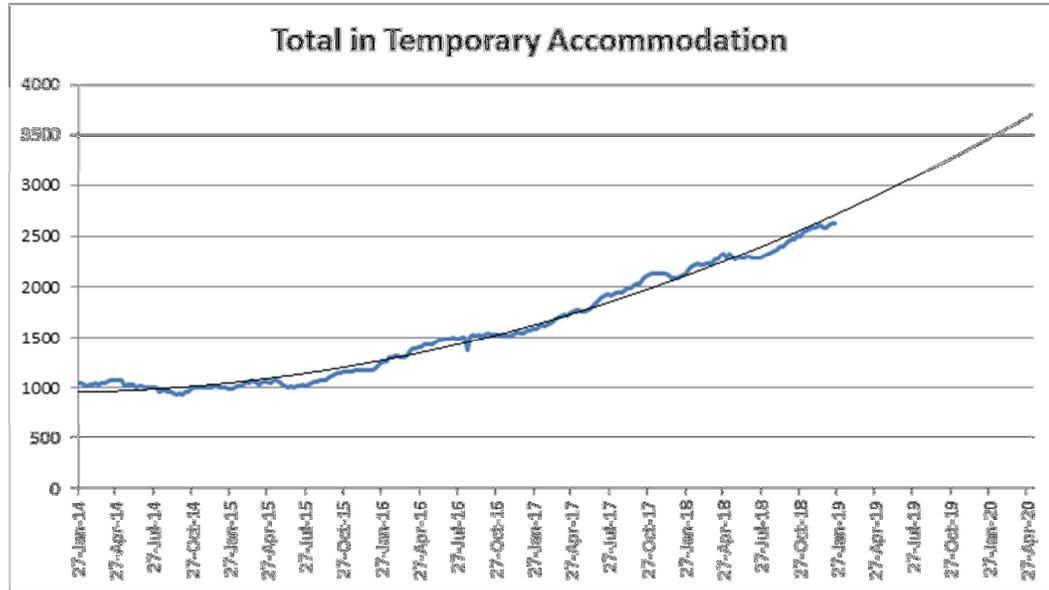
- 9.11. The Travel Assist Service has been subject to review over the past two years. However, budget pressures arising from increased demand have continued, and a projected overspend of £3.5m is forecast for 2018/19. In response to this, as part of the modernisation of the service, the Council has looked at examples of good practice from elsewhere in order to shape the future offer to children and families. The Council has made proposals in respect of this service to manage existing and anticipated future pressures, which involve a review of the 0-25 Home to School Transport policy and a revised Commissioning Strategy for Transport. These measures are expected to achieve a reduction in costs of £1.7m in 2019/20 (after initially rebasing the budget upwards to address the £3.5m overspend). The reduction in costs will be achieved through a variety of ways, including improving service efficiencies, different travel routes and opportunities for independent travel arrangements. The service will continue to deliver its statutory duties, whilst assisting parents to make decisions that best suit them and their families. These measures will be further embedded from 2020/21 onwards in association with any developments on Integrated Transport provision across the Council generally.

Homelessness

- 9.12. There has been a marked increase in the numbers of households who are homeless in Birmingham in recent years. This is consistent with the national trend and caused by a number of factors, including:
- the low supply of affordable housing compared to demand, due in a large part to the reductions in public grant available for the affordable housing sector and financial restrictions placed on local authorities
 - the relatively low income within the city and the impact of a number of welfare reforms, due in large part to the restrictions placed on accessing the public grant available for the affordable housing sector and financial restrictions placed on local authorities
 - the presentation of individuals where the Council has a statutory duty to provide accommodation
 - Individual factors including mental health and substance misuse can contribute to street homelessness
- 9.13. Figure 3.11 below shows the number of Birmingham households placed into temporary accommodation between January 2014 and January 2019. The number of people accommodated had been slowly increasing up until 2016. However, since then the numbers have increased more significantly. The increase over the last three years has been from around 1,200 to just over 2,500 in January 2019. Based on the increasing trend of the last few years,

we can predict the trend for the 2019/20 financial year and estimate that the total households in temporary accommodation would reach just over 3,500 if the Council did not implement mitigations.

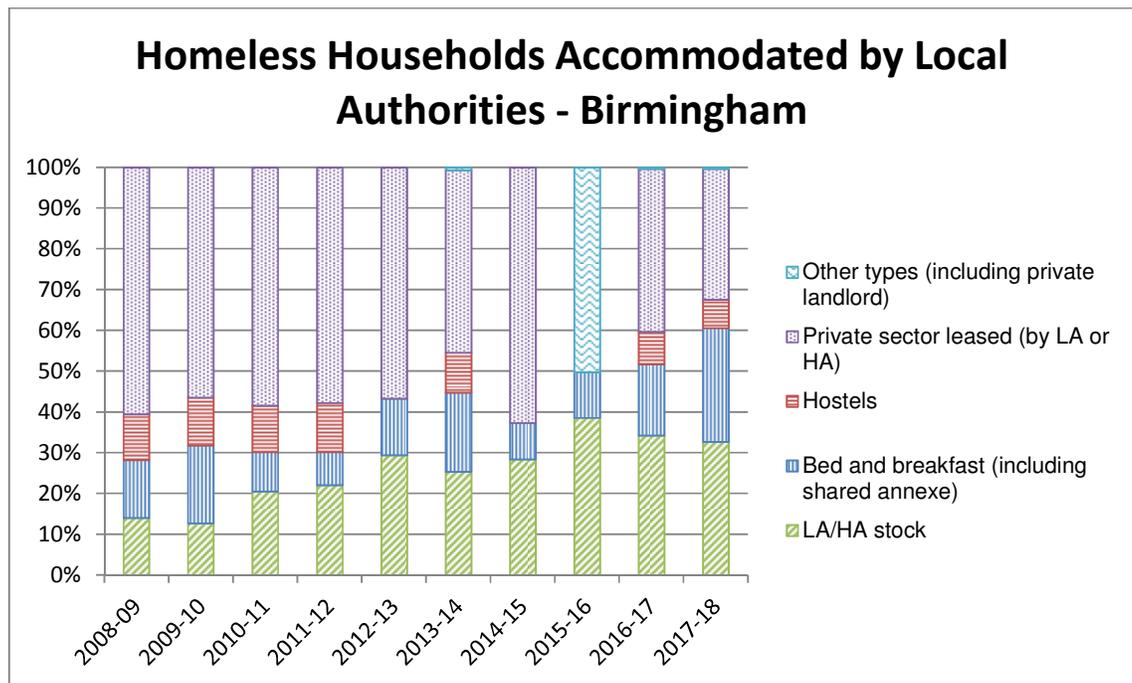
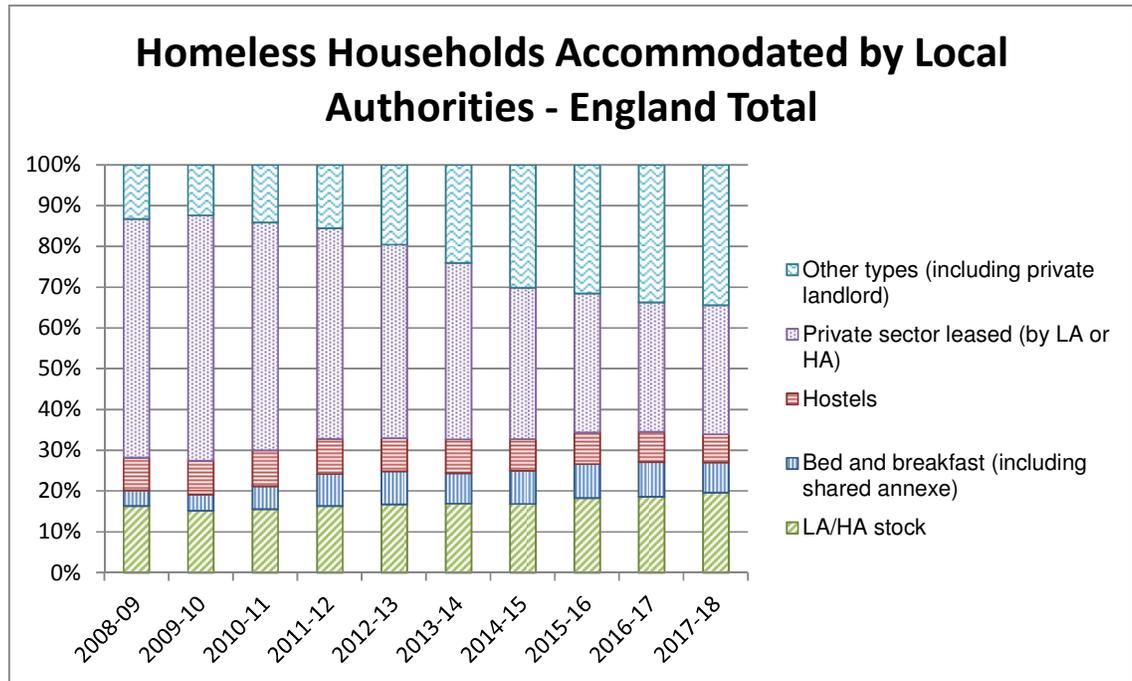
Figure 3.11 Birmingham Households in Temporary Accommodation



Source: Birmingham City Council Temporary Accommodation statistics

- 9.14. Whilst the Council utilises local authority and other private sector temporary accommodation; it has a much greater proportion housed in B&B accommodation than other English local authorities, which drives up the cost of the service. Figures 3.12 and 3.13 show a national versus local comparison of the accommodation types for homelessness provision.

Figures 3.12 and 3.13 Households Accommodated by Local Authorities



Source: Table 784 Local Authorities' Action Under the Homelessness Provisions of the 1985 and 1996 Housing Acts, Ministry for Housing, Communities & Local Government

9.15. To directly address this disparity in accommodation provision, the Council has been creating more temporary accommodation to increase the supply of accommodation and to change the mix of accommodation available. Other measures are being explored to increase provision of accessible, good quality, affordable accommodation across the city. These include working with

developers, engagement with the private rented sector market and working with our registered housing providers.

9.16. The Council has also implemented a range of preventative measures, placing emphasis on intervention and acting quickly to provide advice and to take action to prevent homelessness rather than only intervening at crisis point.

These include the following:

- Training and upskilling of staff to focus on homelessness prevention
- Continued provision of a nationally recognised specialist Youth HUB and currently developing a Domestic Abuse Hub in partnership with Birmingham & Solihull Women's Aid due to open in February 2019
- Working with third sector partners including co-location at the Council's Housing Options Centre (HOC)
- Provision of welfare benefit and debt advice at the HOC
- Working with private sector landlords on effective prevention measures that ensure tenants can remain in their homes when it is suitable to do so

9.17. The Council has welcomed the national initiative on tackling homelessness in the form of Government grants, for example, Flexible Homeless Support, Housing First, Homelessness Reduction and Rough Sleeper Initiative. Further details can be seen in Appendix B. Since 2017/18, the Council has invested an extra £2m of resources in Homelessness Services and this is expected to continue until at least 2020/21, when additional resources invested will fall to just over £1m.

10. Inflation

10.1. Allowance for £79.2m of net inflation across the four years from 2019/20 to 2022/23 has been included in the financial plan (see Appendix A). This includes an uplift of non-pay budgets by around 2% annually, and an average 2% pay award for eligible staff in 2019/20 in line with the local government employers' pay notifications. From 2020/21 onwards, annual pay increases of 2.5% have been assumed.

10.2. Inflation allowance has also been made at defined rates where there are specific contractual commitments in place. There is uncertainty around the level of energy inflation but it is likely that this could be significantly greater than 2%. The Council has allocated services around a 10% energy inflation allowance and is holding a contingency centrally in case energy inflation exceeds this.

10.3. As part of the planning process, work was undertaken to identify opportunities to increase the Council's locally generated income, primarily by reviewing price setting and fees and charges. The planning assumptions include an average increase of 5% across all general charges, where legislation and

market environment permits and where specific income proposals had not already been assumed.

11. Corporately Managed Budgets

Redundancy

- 11.1. The Council continues to need to reduce the size of its workforce as a result of implementing some of the proposed savings needed to balance its budget. Since 2010, the Council has reduced the size of its workforce by around 48% (a reduction of 12,000 jobs) and anticipates a further reduction of up to 1,579 FTE staff by 2022/23, with up to 1,095 FTE anticipated to exit the organisation in 2019/20.
- 11.2. The Council will take advantage of the flexibility in the application of capital receipts, announced by Government for the period 2016/17 to 2021/22 to fund redundancy costs, including pension strain costs. Beyond that period, costs will need to be treated as revenue expenditure and may be financed from temporary use of reserves, consistent with the Council's reserves policy. Redundancy costs are dependent on the age and length of service of the individuals being made redundant, and therefore cannot be precisely calculated at this stage. However, the Council anticipates that it will use £12.1m of Capital Receipts Flexibility in 2019/20 to cover redundancy costs and pension strain. This estimate is based on previous trends and the proportion of savings likely to come from staffing reductions.

Financing Costs

- 11.3. The Council's capital programme is £2.1bn over the four year period to 2022/23, to deliver investment in line with the Council's priorities. The revenue effects of capital expenditure have been reviewed in the context of the Capital Programme outlined in Chapter 7 of this report, and expectations of movements in interest rates. The forecast revenue impact of the capital programme is reflected in this budget. Further details can be found in Chapter 7 and Appendix S.

Equal Pay

- 11.4. The Council has existing liabilities as a result of claims issued under the Equal Pay Act 1970, for which a provision of £151.8m has been recognised in the accounts. It is estimated that total liabilities in respect of this will be approximately £1.2bn, with just over £1.0bn settled as at 31 March 2018. (£61m for the HRA and £948m for the General Fund).
- 11.5. The 2019/20 budget and the Long Term Financial Plan include the revenue implications of Equal Pay settlements, including financing costs arising from capital expenditure in previous years, loss of income arising from asset sales and repayment of temporary borrowing from reserves. Net General Fund revenue costs are expected to be around £113m in 2019/20, rising to £127m in 2022/23, after taking account of contributions from schools and the HRA.

12. Budget Pressures

- 12.1. The Council has made provision for unavoidable budget pressures that are likely to materialise, totalling £47.3m by 2022/23. The figures take account of the fall out of resources allocated on a temporary basis for the funding of pressures in prior years (£8.6m by 2022/23). Full details are shown in Appendix D and summarised below:

Table 3.14 Analysis of Pressures 2019/20 – 2022/23

Categorisation	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Demography	11.100	19.600	28.100	36.600
Service investment to reduce future costs	9.613	4.222	(1.907)	(2.120)
Priorities and policy choices	20.046	9.748	21.333	8.080
Regulatory and statutory requirements	1.010	1.024	1.048	1.077
Fall out of time limited spend	(7.157)	(7.981)	(8.087)	(8.595)
Pension Fund costs	1.187	8.637	9.347	10.127
Other	1.807	1.611	3.111	2.111
Total	37.606	36.861	52.945	47.280

13. Overall Budget Challenge

- 13.1. In order to meet the financial challenges and service pressures described above, total further savings (including those already in financial plans) of £83.5m are required from the General Fund budget by 2022/23 in order for the budget to be sustainable. This represents around 10% of the total General Fund net budget. By 2022/23, savings proposals total £84.8m, and therefore exceed the savings requirement by £1.3m in that year. Should this variation materialise in 2022/23, then additional resources will be reinvested in Council services in line with priorities at the time.
- 13.2. Over the eight years to 2018/19, the Council has had to make overall annual savings of around £690m. Combined with the savings identified above, this would mean annual savings of around £775m over the twelve year period. The Council approved plans to deliver further savings when it set its budget in February 2018. Subsequently, some of these plans have been revised. In addition to the existing plans, we anticipate making extra annual savings of £26m between 2019/20 and 2022/23.

13.3. Table 3.15 below summaries the overall budgetary position

Table 3.15 Savings Requirement 2019/20

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Base Budget 2018/19	855.189	855.189	855.189	855.189
Changes in Pay & Price Inflation	19.387	40.431	59.531	79.194
Budget Pressures	37.606	36.861	52.945	47.280
Corporate Adjustments:				
Net Change in Use of / Contribution to Reserves to Balance Budget	24.632	24.632	25.542	26.542
Other Net Change in Use of / Contribution to Reserves	(12.356)	(27.145)	(24.193)	(13.843)
Corporately Managed Budgets	4.318	20.040	22.152	22.430
Changes in Corporate Government Grants	(30.995)	(14.240)	(16.208)	(17.273)
Total Change in Expenditure	897.781	935.768	974.958	999.519
Business Rates	(437.069)	(450.904)	(464.769)	(476.937)
Top Up Grant	(54.447)	(55.426)	(56.533)	(57.662)
Council Tax	(347.394)	(361.142)	(371.164)	(381.466)
Collection Fund (Surplus)/Deficit Business Rates	(12.680)	0.000	0.000	0.000
Collection Fund (Surplus)/Deficit Council Tax	0.000	0.000	0.000	0.000
Total Change in Resources	(851.590)	(867.472)	(892.466)	(916.065)
Savings Requirement	46.191	68.296	82.492	83.454
Planned savings	(46.191)	(68.393)	(82.470)	(84.790)
Other solutions to be determined	(0.000)	(0.097)	0.022	(1.336)

14. Savings Requirement

Approach

14.1. The Council's approach to its medium term planning has focused on some key principles, specifically:

- re-focusing the allocation of resources so that, over time, resources are more closely aligned to key priority areas and areas of need
- ensuring that the Council sets a balanced budget for 2019/20 and that its long term financial health and viability remains sound
- planning the level of fees, charges and taxation in line with levels that the Council regard as being necessary, acceptable and affordable to meet the Council's aims, objectives, policies and priorities whilst gradually reducing the Council's reliance on Central Government funding
- in line with the Reserves Policy, protecting its reserves for 'rainy day' events and not seeking to use them to meet ongoing pressures or where savings have not been achieved
- ensuring that there is strong governance, assurance and accountability for delivery of service outcomes and savings proposals within budget

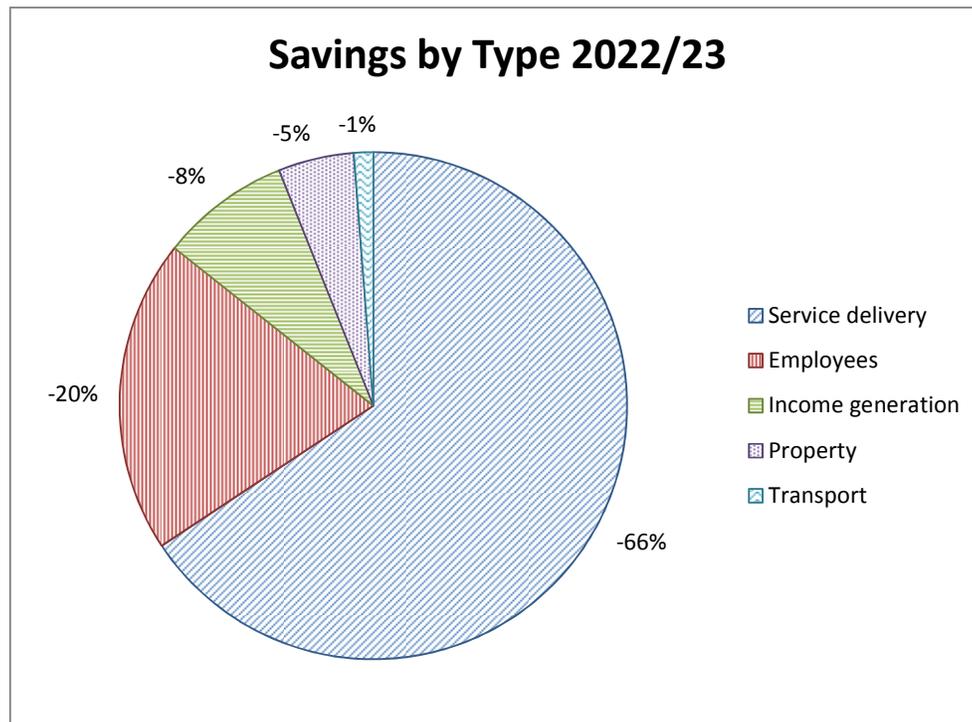
Summary of Proposals

- 14.2. A robust review has been undertaken of savings approved as part of the Financial Plan 2018+ covering the period 2018/19 to 2021/22. Some savings have been rephased, and where savings are no longer considered to be deliverable, they have been removed from the programme.
- 14.3. Savings proposals, totalling £84.8m by 2022/23, are itemised in Appendix E. The savings include, but are not limited to, projects and programmes which cover:
- Demand management – reducing or eliminating as far as possible avoidable demand and delivering better outcomes for residents and communities by targeting better preventative and support services, developing independence and self-reliance. This is particularly evident in the Adults Transformation programme, covering savings relating to Adults Packages of Care (AD001), Social Work Assessment and Care Management (AD002) and Specialist Care Services (AD007)
 - Costs reductions through further general efficiencies, property rationalisation and utilisation, consolidation of services and reduction in the management tier of the organisation so that scarcer resources can be diverted to the front line
 - Income maximisation via general uplifts or fees and charges and maximisation of external funding e.g. grants
 - Channel shift – the increased roll out of a digital solution for customers to access Council services
 - Redesign or changes to services in order to achieve better outcomes for service delivery, whilst achieving a cost saving

Notwithstanding the above, there are also proposals which will mean that some services are cut or ceased

- 14.4. Figure 3.16 summarises the savings programme over the four year period, focusing on the areas that will be impacted as a result of the savings proposals. The analysis highlights that the majority of the savings will be achieved via service change.

Figure 3.16 Analysis of Savings 2019/20 – 2022/23



- 14.5. The Council has increased project management capacity across the organisation particularly in relation to the delivery of the savings programme, through the newly formed Project Management Office (PMO). By instilling strict project discipline and a robust approach to tracking and monitoring delivery against an implementation plan, the risk of savings non-delivery will be minimised.
- 14.6. New savings proposals were set out in the corporate budget consultation document, “Budget Consultation 2019+”, which was published on 13 November 2018, with consultation running until 31 December 2018. The Council promoted the use of social media in order to encourage further citizen involvement, including the hosting of two webcasts on 19 November and 20 December 2018. A public meeting was held on 19 December and there was also a separate meeting for the business community on 12 December 2018. Summary analysis of the responses to the consultation and the Budget 2019+ Consultation Report is set out in Appendix H.
- 14.7. The table below shows the changes in the savings programme as a response to the consultation process. Savings proposals have reduced by £1.8m by 2022/23 as demonstrated in Table 3.17 and summarised below:
- The Council no longer intends to charge for rat treatments
 - The Legal Entitlement and Tourist Information services will continue
 - School Crossing Patrols will remain at priority sites
 - “White goods” will still be provided through the Local Welfare Provision

- The cut in grant funding to Arts organisations will be reduced to £0.5m; at the same time an Arts Endowment Fund of £2.0m will be created
- The removal of the HIV/TB service will be phased in

Table 3.17 Changes in the Savings Programme Following Consultation

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Member Decisions				
Remove				
PL110 19+ Pest control	0.200	0.200	0.200	0.200
PL106d 19+ Legal Entitlement & Advice Service	0.261	0.261	0.261	0.261
EC107 19+ Tourist Information Centre	0.087	0.087	0.087	0.087
SS106 19+ Local Welfare Provision	0.304	0.460	0.460	0.460
PL105 19+ School Crossing Patrols	0.000	0.080	0.160	0.240
	0.852	1.088	1.168	1.248
Reduce				
PL116 19+ 30% Arts Council Grant	0.580	0.580	0.580	0.580
	0.580	0.580	0.580	0.580
Re-phase				
AD103 19+ HIV/TB service	0.115	0.000	0.000	0.000
	0.115	0.000	0.000	0.000
Total	1.547	1.668	1.748	1.828

14.8. There have also been a number of proposals where upon further review and assessment of deliverability, it was decided that the saving would be re-profiled or removed from the financial plans. This would allow time for the proposals to be further developed. Furthermore, there are some existing proposals where additional savings will be generated, particularly in relation to the planned saving from the restructure of senior staff which has increased from £0.6m assumed in the Council Plan and Budget 2018+ to £1.1m in total - an increase of £0.5m against the original plan. There were a number of other technical changes to total savings being delivered including those that were previously shown net of the use of Invest to Save reserves. This is reflected in table 3.18 below.

Table 3.18 Adjustments to Savings

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Savings Rephasing or Removal				
PL128 19+ Fees and Charges Review	0.150	0.000	0.000	0.000
CC105 19+ Transport Workstream	0.400	0.400	0.000	0.000
CY103 19+ Review of PFI contracts	0.500	0.400	0.300	0.200
EC103b 19+BPS Property Strategy	0.161	0.000	0.000	0.000
	1.211	0.800	0.300	0.200
Additional Savings				
CC001 Review of senior structure	(0.466)	(0.466)	(0.466)	(0.466)
JS4a 17+ West Midlands Transport Levy	(0.006)	(0.006)	(0.399)	(0.399)
	(0.472)	(0.472)	(0.865)	(0.865)
Other Updates				
Other changes	1.144	2.425	(0.215)	(0.490)
	1.144	2.425	(0.215)	(0.490)
Total	1.883	2.753	(0.780)	(1.155)

- 14.9. Taking all of the above into account, the overall movement in the savings proposal is £3.4m reduction in 2019/20, reducing to £0.7m by 2022/23. The amended aggregate value of savings proposals can be found in Appendix E.
- 14.10. It should be noted that the Budget 2019+ Consultation will be complemented by directorate based consultation with the service users on individual proposals where necessary. This ensures the Council will comply with the requisite public sector equality duty or ensure that other statutory consultation has taken place, so that decision makers have had “due regard” to issues arising from the equality process and that necessary governance processes have been completed.
- 14.11. Services have completed an Equality Impact Assessment for each of the budget saving proposals included in this document and have identified any action to mitigate risks and disproportionate impacts on protected characteristics. In undertaking these assessments, consideration has been given to the impact on the protected characteristics (age, disability, race, marriage and civil partnership, sex (gender), sexual orientation, religion or belief, gender reassignment, pregnancy and maternity) as identified in the Equality Act 2010. The Act also specifies that local authorities must have due regard to:
- Eliminating discrimination, harassment and victimisation
 - Advancing equality of opportunity
 - Fostering good relations
 - Removing or minimising disadvantages suffered by people due to their protected characteristics
 - Taking steps to meet the needs of people from protected groups where these are different from the needs of other people

- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low

14.12. The corporate equality analysis of the proposals is available on the Council's website. The analysis highlights pertinent information arising from the assessment process to inform Elected Member decisions. It sets out the areas where it is anticipated that further consultation and mitigations will be required prior to implementation of the budget saving.

15. Workforce Strategy

- 15.1. Some of the proposed savings require reductions in staffing levels in order to be delivered. The Council issued a Section 188 notice on 13 November 2018.
- 15.2. The Council will continue to seek ways of avoiding compulsory redundancy through the offering of voluntary redundancy where possible, and normal staff turnover.
- 15.3. The process for management of its human resources is laid out in the Workforce Strategy included in Appendix F.

16. Pay Policy

- 16.1. The Council is statutorily required under the Localism Act 2011 to undertake an annual review of its pay arrangements and to publish these making particular reference to the following:
- The methods by which salaries of all employees are determined
 - The detail and level of remuneration of its most senior employees, i.e. 'Chief Officers', as defined by the relevant legislation
 - The detail and level of remuneration of the lowest paid employees
 - The relationship between the remuneration for highest and lowest paid employees
 - The Committee(s) /Panels responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council
- 16.2. The above details are captured in a Pay Policy Statement, attached at Appendix W. 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). The principles set out within the Pay Policy Statement are compliant with the Council's Workforce Strategy and with the budget proposals.

17. Use of Reserves

17.1. The Council maintains reserves for a number of reasons. These include:

- The need to put aside sums in case of unexpected future expenditure (such as a large insurance claim)
- To smooth out future payments (such as payments under PFI agreements) or to cover timing differences (such as grant money received in any given year where expenditure takes place in a later year)
- To provide pump prime funding for projects to deliver changes in working practices using Invest to Save Reserves. Any approved use must include an agreed repayment plan
- To fund specific activities where the Council has little or no flexibility. These ring-fenced reserves are mainly for Schools or the Housing Revenue Account and cannot be used to support general Council activity

17.2. The Council's new policy on reserves, as agreed at Cabinet on 22 January 2019, makes clear that reserves are not to be used to avoid the necessity to make ongoing savings or meet budget pressures.

17.3. The Council's reserves can be split into the following categories:

- General Reserves and Balances
- Earmarked Reserves
- Revenue Grant Related Reserves
- Ring-fenced Reserves
- Capital Reserves

17.4. Much of the Council's reserves are earmarked for specific purposes and it has generally maintained only limited reserves which are not earmarked. Reserves can only be used on a one-off basis, which means that their application does not offer a permanent solution to the requirement to deliver significant reductions in the future level of Council expenditure.

17.5. In 2019/20, none of the planned uses of reserves are outside of the reserves policy or to avoid the necessity to deliver ongoing savings.

18. Commentary on Use of Reserves in 2018/19 and 2019/20

18.1. In line with the Council Plan and Budget 2018+ agreed in February 2018, the Council planned for the strategic use of £30.5m of Corporate Reserves in 2018/19. This is an overall reduction of £24.6m in use of general reserves to support the budget compared with 2018/19. This can be seen in Table 3.19.

Table 3.19 Movements in the use of reserves to balance the budget

	2018/19*	2019/20	Movement
	£m	£m	£m
Use of Organisational Transition Reserve	(3.902)	0.000	3.902
Use of Financial Resilience Reserve	(11.575)	(5.910)	5.665
Use of one off resources from previous years	(13.250)	0.000	13.250
Treasury Management	(1.815)	0.000	1.815
Strategic Use of Reserves	(30.542)	(5.910)	24.632

*This is the original planned use of Reserves as per the Council Plan and Budget 2018+

- 18.2. After taking account of all other reserves movements, the Council's planned net use of reserves for 2018/19 was £28.6m but for the reasons set out below, the current forecast use of reserves is likely to decrease by a net £9.7m to a net use of £18.9m. In 2019/20 a net use of reserves is planned totalling £27.0m. Only £5.9m of this is from general reserves to support the budget (see paragraph 20.3 below). The overall position is set out in Table 3.20 below.

Table 3.20 Analysis of Reserves in 2018/19 and 2019/20

	ITS	FRR	Other General Reserves	Earmarked	Ring Fenced	Grant	Total
	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)
Balance as at 31st March 2018	39.3	98.3	30.7	133.0	35.8	172.0	509.1
2018/19 planned (use) / contribution to Reserves	(3.9)	(11.6)	0.0	1.7	0.6	(15.4)	(28.6)
2018/19 Planned Balance as at 31st March 2019	35.4	86.7	30.7	134.7	36.4	156.6	480.5
2018/19 further estimated (use) /contribution *	0.0	0.0	0.0	(13.7)	(2.7)	26.1	9.7
Forecast Closing Balance (31st March 2019)	35.4	86.7	30.7	121.0	33.7	182.7	490.2
2019/20 planned (use) / contribution to Reserves	(8.8)	(5.9)	0.0	17.0	1.1	(30.4)	(27.0)
Forecast Closing Balance (31st March 2020)	26.6	80.8	30.7	138.0	34.8	152.3	463.2

* Assumes the General Fund will be balanced at year end. Whilst there is a forecast 2018/19 General Fund overspend of £2.0m based on Month 9 budget monitoring, it is assumed that plans will be identified to balance the budget. There is a forecast DSG overspend of £2.1m based on Month 9 assumed to lead to a reduction in Schools Balances.

19. Invest to Save Reserve (ITS) – Formerly Known as Organisation Transition Reserve

2018/19

- 19.1. A planned use of £3.9m from the ITS was agreed in the Council Plan and Budget 2018+. It was proposed to use the fund on an “invest to save” basis to stimulate service transformation. There is no further use planned in 2018/19.

2019/20

- 19.2. It is anticipated that a further £8.8m of the ITS will be needed in 2019/20 to fund the up-front costs of savings plans on an invest to save basis.

20. Financial Resilience Reserve (FRR)

2018/19

- 20.1. This reserve of £98.3m was created in 2017/18 from the backdated application of a consistent MRP policy to 2007/08. There is a planned use of the FRR in 2018/19 of £11.6m in order to balance the overall Council budget.
- 20.2. If the overspend forecast at Month 9 is not resolved, this would require a further use of the FRR in 2018/19. Work is on-going to avoid an overspend by the year-end. It is assumed that plans will be identified to achieve this.

2019/20

- 20.3. The only planned use of the FRR in 2019/20 is £5.9m to fund the additional revenue costs, which arose from a retrospective change in the Council MRP policy, approved by the Council in February 2018. This is in line with the Reserves Policy.

21. Other General Reserves and Balances

- 21.1. The General Fund Balance was £30.7m as at 1 April 2018. There is no planned use of the General Fund Balance in 2019/20. The overall movement in non-earmarked use of Reserves is shown in Table 3.19. As can be seen, there is a £24.6m reduction in the use of general reserves to support the budget.

22. Budget Risks

- 22.1. Throughout the financial planning process the Council has undertaken a review of its budget position and identified a number of budget pressures that it has identified must be funded. Furthermore, significant time has been spent completing and reviewing implementation plans for savings proposals, providing greater assurance than in previous years of the deliverability of the savings programme.
- 22.2. Governance of the delivery of savings proposals will be enhanced by the Programme Management Office working closely with the services throughout the year and reporting into a Budget Programme Board, chaired by the Chief Executive.
- 22.3. Overall budget management and delivery has been enhanced in 2018/19 with budget monitoring being reported to the Council Management Team, the Executive Management Team and Resources Overview and Scrutiny Committee on a monthly basis. Star Chamber sessions chaired by the Cabinet Member for Finance and Resources to discuss Directorate budgets and how the position can be recovered. This has resulted in the forecast overspend for 2018/19 reducing from £27.2m at Month 2 to £2.0m at Month 9, demonstrating that the Council takes seriously its commitment to deliver its budget.

22.4. Despite this, the Council has identified that there are budgetary risks that could happen over the medium-term period 2019/20 – 2022/23 which are not certain enough at this point to budget for. However, it has considered these in the context of its level of reserves held to ensure the Council could cope with the associated financial shocks. These risks include:

Risk	Mitigation	Maximum Impact Over Medium Term Financial Plan £m	Likelihood of Impact Occurring	Probability Weighted Medium Term Potential Impact £m
Loss of assumed Business Rates and associated income from properties not paying the appropriate level of business rates	The Council has employed a company to identify business rates income not being correctly assessed	45	20%	9
Business Rates Appeals being 1% greater than current assumptions of c4%.	Provision has been made for a prudent level of successful appeals based on historic experience	27	15%	4
Economic Downturn – loss of 5% of business rates	Current economic forecasts anticipate growth in Birmingham businesses	90	10%	9
Potential impact of a move of Government policy to 75% retention, thus ending the 100% Business Rates Retention Pilot and having an impact on payments relating to the Devolution Deal	Early discussions with the Government to determine the status of the Pilot and whether this will continue. Ensure that the Government recognises the Devolution Deal as a separate grant once 75% business rates retention is introduced nationally.	63	40%	25
Council Tax growth forecasts are optimistic	Council Tax growth forecasts are based on the Council's approved housing forecasts and plan	10	10%	1
Outcome of the Government Spending Review and Relevant Needs and Resources Review	The outcome of each may not be in line with the current financial planning assumptions of neutral in real terms. There is potential for both improvements and reductions in resource forecasts.	30	30%	9

Risk	Mitigation	Maximum Impact Over Medium Term Financial Plan £m	Likelihood of Impact Occurring	Probability Weighted Medium Term Potential Impact £m
Inflation increases at a greater rate than planned. For example 1%.	The Council has provided for c18% increase for energy inflation. Only increases above this would need to be addressed. Provided for 2% inflation increase within the budget	20	10%	2
1% unbudgeted rise in short-term and long-term interest rates	The Council has taken a more prudent view than commentators over the medium term	40	12.5%	5
Delivering the savings programme	The PMO has been involved in considering the implementation plans of savings proposals and strengthening the likelihood of delivery. A budget delivery contingency is held as the first call in any challenges in delivering the savings programme.	57	30%	17
Increasing costs in the base budget e.g. <ul style="list-style-type: none"> • Adults Social Care • Increasing numbers of Looked After Children • Increasing levels of homelessness 	Adults – significant funding held in policy contingency regarding increased demography funding. The Children’s Trust has not identified any budget challenges at the moment, though this will be kept under review. Strategies being put in place within Financial Plan to address homelessness position	30	30%	9

Risk	Mitigation	Maximum Impact Over Medium Term Financial Plan £m	Likelihood of Impact Occurring	Probability Weighted Medium Term Potential Impact £m
Increased Pension Contributions required	The Council has agreed a payment plan with the pension fund to repay the pension deficit. A review will take place throughout 2019/20 with the Council discussing the position with the pension fund. Any movements would be incremental from the current recovery plan.	32	25%	8
Impact of Brexit – potential loss of grant income	The outcome of Brexit is uncertain. If European Grant funding is lost it may be replaced by the Government.	13	30%	4
Industrial disputes	Continuing discussions through ACAS	20	50%	10
Exceeding the 5% VAT Partial Exemption limit	Appropriate taxation advice is taken before each decision is taken	30	10%	3
Capital Programme Cost Overrun linked to major projects	Enhanced project management and governance procedures Prudential limits placed on levels of borrowing	70	20%	14
Commonwealth Games: <ul style="list-style-type: none"> costs increasing partner contributions not being received additional service revenue costs 	<ul style="list-style-type: none"> Discussions with Government to cap the Council's contribution at the level of the Bid. Ongoing discussions with partners to secure funding. Planned for £40m of spend within the revenue budget (2018/19 – 2022/23). Apply strong cost control. 			16

Risk	Mitigation	Maximum Impact Over Medium Term Financial Plan £m	Likelihood of Impact Occurring	Probability Weighted Medium Term Potential Impact £m
Major Contract disputes	Ensure contracts are operated in accordance with the agreed Terms and Conditions. Earmarked reserves in place to mitigate impacts.	c£400m of contracts	Very Low	2
Further successful Equal Pay disputes	Provision has been set aside for outstanding Equal Pay claims. Proactive management of claims and widespread awareness of Equal Pay issues taken into account in decision making Account for costs when payments made rather than when claim lodged so unlikely to be any further costs in 2019/20.	Significant	Very Low	0
Level of general reserves recommended to cover key risks				147

22.5. It should be noted that some of this potential impact would occur in future years. Therefore the Council would have the ability to consider some of these pressures in future budget processes if they materialise and identify appropriate mitigations.

23. Earmarked Reserves

2018/19

23.1. There was a planned net contribution to earmarked reserves in 2018/19 of £1.7m relating to a range of items including:

£19.8m Contribution to Earmarked Reserves

- planned replenishment of £3.3m to the Capital Fund in 2018/19, relating to long standing arrangements for the repayment of borrowing costs by services
- planned contributions of £2.5m towards cyclical maintenance
- making provision of £9.3m for Business Rates appeals
- provision is being made to create a Commonwealth Games Contingency Reserve. This was planned to amount to £4.7m in 2018/19

£18.1m Use of Earmarked Reserves

- the use of £13.2m of one-off resources identified from 2017/18
- the use of £1.8m of Treasury Management Reserves
- net use of other earmarked reserves of £3.1m

23.2. The actual net use of earmarked reserves is forecast to be £13.7m higher than was planned. This is due to the following:

£9.4m Improved reserves position

- a £4.0m reduction in the use of one-off reserves to support the budget
- The Council is expecting to receive £5.4m at the end of 2018/19 related to the redistribution of National Business Rates Levy. This will be taken into Reserves to be used in 2019/20

£23.1m Negative movement in reserves position

- a £2.7m reduction to the contribution to the Commonwealth Games Reserve due to costs expected to be incurred in 2018/19
- a use of £0.5m of the Capital Fund to meet revenue costs related to the sale of Innovation Birmingham Group as agreed by Cabinet on 8 March 2018
- following a review, the Council now considers that it needs to contribute £2.3m less to the Business Rates Reserves in 2018/19 than was budgeted
- net uses of other earmarked reserves of £17.6m comprising the following:
 - £4.5m Children's Trust reserve
 - £3.9m Policy Contingency carry forward from 2017/18 for specific items where spend had not been completed in 2017/18
 - £1.8m Business Rates Top Up Grant
 - £2.1m Section 31 grant
 - £1.0m for the Local Investment Fund
 - £1.2m for Special Educational Needs
 - £1.0m for Economy Directorate, mainly related to the Youth Promise Plus project
 - £1.0m contribution to Housing Benefit Subsidy Reserve no longer required
 - a contribution of £0.7m to the World Indoor Athletics Negative Reserve not going ahead
 - and £0.4m other net increase in the use of reserves

2019/20

23.3. In 2019/20 the net contribution will be £17.0m comprising the following:

£25.5m Contribution to Reserves

- there is a further planned replenishment of £0.4m to the Capital Fund in 2019/20
- planned contributions of £3.1m towards cyclical maintenance
- making provision of £14.3m for Business Rates appeals
- making a contribution of £7.4m to the Commonwealth Games Contingency Reserve
- contributions to other corporate reserves of £0.3m

£8.5m Use of Reserves

- the use of £5.4m of reserves related to the redistribution of National Business Rates Levy, as mentioned in paragraph 23.2
- The use of £2.1m of Reserves to fund the team to support the Information Communication Technology and Development (ICT & D) Plans
- The use of £0.5m of Reserves to fund the Graduate Hub
- net use of other reserves of £0.5m

24. Ring Fenced Reserves

2018/19

24.1. There was a planned contribution from Children & Young People Directorate (C&YP) of £0.6m towards repayment of Schools Balances in 2018/19. This payment has been deferred.

24.2. It is assumed that there may be an overspend of £2.1m on the school budgets, based on Month 9 budget monitoring, thus potentially reducing Schools Balances by that amount. Work is on-going to reduce this overspend.

2019/20

24.3. In 2019/20, as well as the planned contribution towards repayment of Schools Balances of £0.6m from C&YP, there is a further planned corporate contribution of £0.5m.

25. Grant Reserves

2018/19

- 25.1. The planned use of Grant Reserves in 2018/19 was £15.4m. This is largely related to the use of grant reserves where payment has been received in advance of expenditure.
- 25.2. It should be noted that there is often a degree of uncertainty as to when grant income will be received, and when the expenditure will take place.
- 25.3. There is a forecast net contribution of £10.7m in 2018/19, a change in net use of £26.1m compared to the budget.

2019/20

- 25.4. In 2019/20 it is estimated that £30.4m of grant reserves will be used for similar reasons.

26. Overall Impact on Reserves

- 26.1. The summary movement in reserves is shown in Table 3.21 below. This shows the movement in reserves between the planned figures for the 2018/19 and 2019/20 financial years.

Table 3.21 Movements in Reserves

	2018/19*	2019/20	Movement
	£m	£m	£m
Use of reserves to balance the budget (see table 3.19)	(30.542)	(5.910)	24.632
Corporate (Use of)/ Contribution to Reserves			
Contribution to Capital Fund (Revenue Reserve)	3.326	0.380	(2.946)
Business Rates Appeals	9.349	14.301	4.952
Redistribution of National Business Rates Levy	0.000	(5.408)	(5.408)
Cyclical Maintenance Reserve	2.540	3.090	0.550
Corporate Use of Earmarked Reserves	0.000	(2.118)	(2.118)
Commonwealth Games Contingency Reserve	4.746	7.400	2.654
Use of Invest to Save Reserve	0.000	(8.801)	(8.801)
Other Use of Reserves	0.000	(0.032)	(0.032)
Other (Use of)/ Contribution to Reserves	19.961	8.812	(11.149)
Borrowing from/ Repayments to Reserves			
Borrowing for:			
Borrowing from Highways PFI	0.000	(1.095)	(1.095)
Sub-total Borrowing from Reserves	0.000	(1.095)	(1.095)
Net Repayments:			
Repayment to Highways PFI	0.985	0.000	(0.985)
Corporate Repayment to Schools balances	0.000	0.500	0.500
Other Repayments to Reserves	0.000	0.373	0.373
Sub-total Net Repayments	0.985	0.873	(0.112)
Total Corporate Uses of/Contribution to Reserves and Borrowing/Repayment	20.946	8.590	(12.356)
(Use of)/Contribution to Grant and Earmarked Reserves			
(Use of)/Contribution to Grant Reserves	(16.418)	(29.334)	(12.916)
(Use of)/Contribution to Other Earmarked Reserves **	(3.184)	(0.920)	2.264
Directorate Repayment of Schools Balances	0.600	0.600	0.000
Use of Carry Forward balances	(0.025)	0.000	0.025
Total Other (Use of)/Contribution to Reserves	(19.027)	(29.654)	(10.627)
*Total(Use of)/Contribution to Reserves	(28.623)	(26.974)	1.649

*This is the original planned use of Reserves as per the Council Plan and Budget 2018+

** The use of Reserves to support specific items are referred to in paragraph 3.7

26.2. After taking account of planned contributions to and from reserves and balances, the position is expected as shown in Table 3.22 below.

Table 3.22 Reserves Position

Description	31/03/2019	31/03/2020	31/03/2021	31/03/2022	31/03/2023
	£m	£m	£m	£m	£m
General Reserves and Balances					
Invest to Save Reserve	35.4	26.6	20.7	23.7	28.2
Financial Resilience Reserve	86.7	80.8	74.9	69.9	65.9
Corporate General Fund Balance	30.7	30.7	30.7	30.7	30.7
General Reserves and Balances	152.8	138.1	126.3	124.3	124.8
Earmarked Reserves					
Insurance Fund	11.0	11.0	11.0	11.0	11.0
Capital Fund	46.1	46.5	46.8	47.1	47.3
One-off resources from previous years	2.6	2.6	2.6	2.6	2.6
Cyclical Maintenance	12.4	15.5	18.6	21.7	24.8
Business Rates Pilot No Detriment Contingency	3.4	3.4	3.4	3.4	3.4
Business Rates Appeals	7.0	21.3	22.1	22.8	22.8
Redistribution of National Business Rates Levy	5.4	0.0	0.0	0.0	0.0
Commonwealth Games Contingency Reserve	2.0	9.4	6.5	0.0	0.0
Other Corporate Reserves	(2.7)	(2.3)	(1.9)	(1.4)	(1.0)
Other Earmarked Reserves	33.8	30.6	30.6	30.8	30.0
Total Earmarked Reserves	121.0	138.0	139.7	138.0	140.9
Reserves for budgets delegated to schools	33.7	34.8	35.9	36.5	37.1
Ring-fenced Reserves	33.7	34.8	35.9	36.5	37.1
Grant Reserves					
Highways PFI gross	138.3	123.3	123.3	123.3	123.3
Less Temporary borrowing	(24.5)	(25.7)	(27.9)	(29.0)	(27.1)
Highways PFI net	113.8	97.6	95.4	94.3	96.2
Other Grant Reserves	68.9	54.7	54.9	54.9	54.8
Grant Reserves	182.7	152.3	150.3	149.2	151.0
Overall Total	490.2	463.2	452.2	448.0	453.8

27. Policy Contingency

- 27.1. Separate and distinct from reserves, the 2019/20 budget includes a Policy Contingency as detailed in Table 3.23 below. This will total £42.2m.
- 27.2. Policy Contingency is a budget that is held centrally and not allocated to services at the start of the financial year. It is retained to protect against unplanned expenditure and is held until requirements become clearer. The contingency will provide funding to meet the costs of certain decisions which may be taken during the course of the financial year. Allocations will be made to services only after the demonstration of need.
- 27.3. In addition to the specific items, and given the scale of the financial challenges facing the Council and the risks associated with the savings plan delivery, Birmingham considers that it is prudent to hold £12.0m as a budget delivery contingency.

- 27.4. The unallocated General Contingency of £2.5m, £0.5m less than the previous financial year, provides risk cover in the overall delivery and management of the budget in 2019/20.

Table 3.23 Policy Contingency

	£m
Loss of Income from Car Park Closures	0.252
National Living Wage	0.365
Autoenrolment in Pension Fund	0.300
Inflation Contingency	4.951
Highways Maintenance	0.250
Apprenticeship Levy	1.108
Commonwealth Games Project Team Costs	1.000
Budget Delivery Contingency	12.000
Revenue Services Transformation Programme	0.020
Adult Social Care & Health Demography	8.500
Short-term Council House Improvement	0.200
Adult Social Care Winter Pressures	5.600
Invest to Save Fund	3.172
Art Endowments	2.000
General Contingency	2.526
Total	42.244

28. Levies and Contributions

- 28.1. The Budget for 2019/20 includes £45.0m in respect of the WMCA Transport Levy (the same as 2018/19) and £0.3m (£0.3m in 2018/19) for the Environment Agency Levy.
- 28.2. The City Council's contribution to the WMCA will be £1.1m in 2019/20. This is the same as the 2018/19 budget.

CHAPTER 4: SCHOOLS' BUDGETS

1. Overview

- 1.1. Schools receive funding via a variety of different funding streams, the main ones being Dedicated School Grant (DSG), Pupil Premium, Education funding Agency (EFA) Post 16 Funding and Universal Infant Free School Meals.
- 1.2. DSG is the main funding stream for schools £1,188.8m in 2019/20 and has seen an increase of £17.3m (£1,171.5m 2018/19). This is primarily to meet the demographic increase in pupil numbers and funding to meet the pressures in Special Educational Needs and Disability (SEND). The allocation of funding is governed and managed in conjunction with the Schools Forum.
- 1.3. Schools are expected to meet the majority of the pay and inflationary pressures from within their budget allocations with no increase in the funding rates per pupil, with the exception of:
 - Teachers' Pay, where the DfE will be allocating a separate grant to schools for the period April 2019 to August 2019. It is anticipated that further grant allocations will be made by the DfE from September 2019 to cover the 2019/20 pay award
 - The DfE has announced that schools will be funded for the increase in teachers' pension costs from September 2019 (to date no information has been issued by the DfE on the amount of grant or how it will be allocated)
- 1.4. There are four main issues having an impact on the Council currently
 - An overall DSG deficit of £11.5m (excluding school balances) was bought forward from 2017/18 comprising a deficit of £13.8m on the High Needs budget block and a surplus of £2.3m on the other budget blocks. The Council forecast an overspend of £2.1m at Period 9 on the DSG position for 2018/19 and a £13.6m deficit carried forward to 2019/20
 - High Needs budget pressures and increased demands. Savings will be targeted by addressing expensive settings and intervening earlier. The council will be required to produce and submit a 5 year DSG deficit recovery plan to the DfE by the 30 June 2019, outlining how the historic deficit will be addressed. This currently being developed by the Council in consultation with partners.
 - Increasing numbers and levels of school deficit balances. A range of measures is being implemented to address this. Increased monitoring and challenge has been established for schools with actual or emerging deficits. Persistent non-compliance in respect of overspending may result in financial warning notices being issued. Delegated budgets can potentially be withdrawn from Governing Bodies or Interim Executive Boards

- The continued increase in schools with deficit balances converting to academy status, where the deficit may revert back to the Council. This Financial Plan includes funding for deficits of £8.5m which will be met through the release of revenue resources by utilising capital resources to fund repair and maintenance expenditure

These points are covered in more detail in paragraphs 3 and 5 below.

2. Summary of Funding

- 2.1. The total Dedicated Schools Grant (DSG) funding for Birmingham in 2019/20 of £1,188.8m, comes through four funding blocks of funding.
- 2.2. The Education Funding Agency (EFA) currently recoups £527.5m of the DSG allocation to directly passport to academies and free schools. The Council is responsible for the remaining budget of £661.3m, in conjunction with the local Schools' Forum. In addition schools and academies receive direct funding allocations from the Department for Education (DfE) relating to Pupil Premium, free school meals and education training, which totals £120.5m of which £52.5m relates to academies.
- 2.3. A summary is set out in Table 4.1 below.

Table 4.1 Schools Funding

	DSG	Pupil Premium	EFA - Post 16	Universal Infant FSM	Total
	£m	£m	£m	£m	£m
Schools' Delegated	416.6	43.4	12.3	9.0	481.3
Early Years (includes central budgets)	90.7				90.7
High Needs (includes central budgets)	136.0				136.0
Central School Services	18.0	3.3			21.3
Subtotal City Council	661.3	46.7	12.3	9.0	729.3
Academies and other recoupment	527.5	46.5		6.0	580.0
Total	1,188.8	93.2	12.3	15.0	1,309.3

3. Review of Funding Formula

- 3.1. DSG is a highly prescribed and ring-fenced grant and is the primary source of funding that is delegated or allocated to schools and other educational providers for their revenue costs as well as funding certain prescribed centrally managed provision. The funding formula was substantially reviewed for 2018/19, which introduced the four main blocks of funding highlighted above. Consultation with schools in the autumn term 2018 supported the Council moving towards full implementation of the National Funding Formula and this has been implemented in 2019/20 with the exception of one new optional factor introduced by the DfE for 2019/20. This related to the option to introduce funding floors into the formula, which has not been adopted due

to affordability considerations. The changes for 2019/20 are relatively minor and mainly technical in nature.

4. Academisation and School Deficits

- 4.1. There is continuing activity of schools converting to academy status either under directive orders or voluntarily.
- 4.2. Schools which are given a directive order to convert to Academy status and have a financial deficit at the point of conversion will have the deficit transferred to the local authority. In Birmingham this is funded through a combination of a DSG contingency of £0.8m, which is the first call, and the balance through resources freed up by the application of corporate capital resources to fund schools capital maintenance expenditure, subject to approval as part of the annual capital budget process. The DSG contingency is subject to agreement annually by the School Forum and is a reducing budget as schools convert to academy status.
- 4.3. At December 2018 there were ten schools which have directive academy orders and significant deficits, which may not be repaid before transferring to academy status and which have a total value of £8.5m, funding for which is provided for in the Financial Plan. The liability will fall over different financial years depending on when the actual conversion to academy status takes place.

5. Redundancy Costs Arising from Restructures

- 5.1. School staffing restructures often result in redundancy costs which need to be funded. The current arrangement in Birmingham is that pension strain costs are funded through individual school budgets, though other redundancy costs are funded by DSG (up to £0.8m) and the Council funds redundancy costs above this figure. A corporate budget of £0.7m is set aside for this purpose. Any cost above £1.5m would need to be funded by the Council.

6. High Needs Block and SEND

- 6.1. The increasing level of spend on High Needs and Special Educational Needs (SEND) is a national issue, which is also reflected in Birmingham. At the end of 2017/18 the accumulated deficit on High Needs was £13.8m. This was expected to increase by around £5.3m in 2018/19, before the announcement of additional funding of £3m for High Needs in December 2018. The additional funding will be made available in both 2018/19 and 2019/20, which means £6m over the two year period. The decision on the use of this funding will be subject to agreement of the School Forum. In 2019/20 there is also an increase in the national funding allocation to the High Needs block of £6m, which is additional to extra funding announced in December, which means overall additional funding of £9m. This should assist in achieving a balanced budgetary position in 2019/20, though account will need to be taken of the ongoing increases in demand for SEND services. Discussions have been taking place in the Schools Forum on priorities for SEND and measures which

can be taken to reduce pressure and improve outcomes. In addition, following the Ofsted review of SEND in summer 2018, the Council has agreed a Written Statement of Action (WSAO) which will identify actions on SEND with key partners.

7. Strategy for Achieving a Balanced Schools Budget

- 7.1. The DfE have recently consulted on local authorities with deficits in excess of 1% of DSG to produce a Recovery Plan to address the deficit over a three year period. The consultation has now concluded and Recovery Plans will need to be produced by June 2019. It is very likely that Birmingham's deficit on DSG will breach the 1% threshold, due mainly to the pressure on High Needs referred to above and a Recovery Plan will be required. The additional funding for Special Needs will assist the development of the Recovery Plan, which is expected to identify a plan to address the deficit over a 5 year period, though DfE guidance on this is still to emerge.

CHAPTER 5: HOUSING REVENUE ACCOUNT

1. Summary

- 1.1. The Housing Revenue Account (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.
- 1.2. The HRA Business Plan sets out the immediate and long term financial plans and is underpinned by a number of key operational assumptions (relating to property, arrears, debt, and inflation and rent levels).
- 1.3. The HRA Business Plan shows a balanced long term financial plan and incorporates the continuation of a long term debt reduction programme that commenced in 2015/16 (to match the expected life spans of existing properties), but at a slower rate than initially planned.
- 1.4. The national rent policy introduced from April 2015, intended to cover a 10 year period, was substantially amended for the four years from April 2016. The policy is now based on rent reductions of 1% per annum for four years, followed by annual increases at CPI+1% with rent convergence only taking place for new tenancies (full details of the rent setting policy are set out in a separate Cabinet Report considered on 12 February 2019). 2019/20 will be the final year of rent reductions of 1% per annum.

2. Background

- 2.1. The Council is one of the largest providers of social housing in Europe, managing in excess of 61,000 homes, representing 15% of the total housing available within the city. There is a substantial level of unmet need for affordable housing in Birmingham, with around 10,500 people registered as in housing need.
- 2.2. The Housing Revenue Account is a statutorily ring-fenced account that deals with income and expenditure arising as a result of the Council's activities as a provider of social and affordable housing. The legislation requires that income and expenditure relating to the Council's provision of social and affordable housing must be accounted for within the HRA and that the proposed annual budget is balanced.

3. Strategic Overview and Context of Financial Pressures on the HRA

- 3.1. The HRA is under considerable service and financial pressure as a result of national and local policy changes and in particular the following issues are reflected in the HRA Business Plan:
 - Impact of the Welfare Reforms and the introduction of Universal Credit – research conducted by the Association of Retained Local Authorities indicated that rent arrears increased in those areas where Universal Credit has been introduced. With the roll out of Universal Credit, this is

likely to increase substantially. In excess of 70% of the Council's HRA tenants are currently in receipt of housing benefit. Therefore the impact of this transition in Birmingham is likely to be significant

- The impact of the revised national rent policy (rent reductions of 1% per annum between 2016/17 and 2019/20) is estimated to result in a loss of HRA income increasing to approximately £42m per annum by 2019/20

3.2. In addition, there are statutory requirements to ensure that there is no cross-subsidy between the HRA and General Fund services (the "who benefits" principle – designed to ensure that council tenants do not pay twice for the same service, through both Council Tax and Rents), that an annual balanced budget is set and that the service is sustainable and affordable in the long run based on the HRA Self-Financing framework.

4. Key Outcomes and Strategic Housing Service Objectives

4.1. The HRA Business Plan is intended to support the following key strategic and housing service objectives:

4.2. Building New Homes and Maintaining our Stock

- Provision of new affordable housing to replace obsolete properties and provide a significant contribution to the Housing Growth Strategy (1,866 new council homes and 1,544 obsolete properties demolished over the next ten years with an associated investment of £401m)
- Maintaining properties in their current improved condition (to ensure that the properties are not impaired) with an investment of £594m over the next ten years. This will be achieved through the life-cycle replacement of property components (windows, heating, kitchens, bathrooms, roofs, electrical components)
- Fire Protection works to high rise flats (principally the installation of sprinkler systems), a total cost of £31m over three years, including £4m in 2018/19
- Discharge of statutory day to day repairs and maintenance obligations (including compliance with health and safety on annual gas inspections) with investment of £669m over the next ten years
- Adaptations to properties to continue to promote independent living (an investment of £48m over the next ten years)

4.3. Local Housing and Estate Services

- Continued modernisation of the delivery of local housing management services (e.g. annual visits, review and more rigorous enforcement of tenancy conditions, in particular anti-social behaviour)
- An ongoing review of other estate based services that are subject to service charges (including caretaking and cleaning), with any resulting

service redesigns and revisions to service charges to be phased in over a suitable time period with appropriate consultation built into implementation plans. These service reviews are designed to ensure that the services are delivered efficiently and offer good value for money to the tenants in receipt of the services, whilst ensuring that they are not cross-subsidised by other tenants not receiving the services

- Improving performance on rent collection and empty properties
- Secure efficiencies in Business Support Services to ensure that scarce resources are not unnecessarily diverted away from front line service delivery and investment priorities

4.4. Rent Policy

- To ensure that the rent policy is consistent with the revised national rent policy (rents will further reduce by 1% per annum in 2019/20, followed by increases of CPI +1% for subsequent years)
- To ensure that service charges are set at a level that reflects the costs of service delivery, whilst ensuring value for money for tenants and ensuring that charges are eligible for support through housing benefit wherever possible

4.5. External Resource Generation

- Continuing to lobby for appropriate funding solutions for fire protection works in high rise flats, including the exploration of opportunities for partial funding from central government
- Maximising the use of retained Right to Buy (RtB) receipts and access to Homes and Communities Agency (HCA) grant funding programmes to support and increase the new build housing programme

5. HRA Business Plan and Budget 2019/20

5.1. A summary of the HRA Self Financing Business Plan is set out in Appendix K.

5.2. In summary, the Business Plan will ensure a continued sustainable and affordable long term financial plan for the housing service (sustained reduction in long-term debt and affordable rents) and the strategic financial issues are highlighted below:

- A balanced revenue budget over the next 10 years, achieved as a result of:
 - Substantial reductions in future rental income as a result of reductions in property numbers, together with the implementation of the national rent policy as set out above
 - A clear focus on maximised collection of rents from tenants, linked to the review and enforcement of tenancy conditions and

- continuation of the annual visits programme, despite the increasing pressures from the full roll out of Universal Credit
- Government has abolished the HRA borrowing cap, with the level of borrowing to be in accordance with the Prudential Code. Whilst there is an increased level of debt compared to last year's plan, required to support planned capital expenditure, including the council housing new build programme and investment in existing housing, the level of borrowing that can be undertaken is still required to be affordable and sustainable. The financial viability of individual schemes (including the affordability of any new borrowing that may be required) will continue to be considered as a part of the Full Business Case produced for each scheme or programme
 - Re-phasing of the planned debt repayment and reduction programme to ensure a balanced overall position year on year. This re-phasing does however continue to deliver a reduction in total HRA debt, with the balance outstanding falling to £500m by 2038/39 and the achieving of a debt:income ratio of below 2:1 by 2034/35
- The debt repayment strategy includes loan redemptions in all years from 2019/20 with the total forecast debt outstanding in 10 years' time falling to £922m. Total HRA debt at 31 March 2019 is forecast to amount to £1,052m
 - Average borrowing per property of £17k in 2019/20, reducing slightly to £16k over the next 10 years and to below £10k per property by 2039/40 (effectively our average mortgage on each HRA property)
 - Maintenance of adequate reserves and provisions for potential bad debts (estimated for 2019/20 at £35m including minimum balances of £5m and provisions for bad debts of £30m)

- 5.3. The comparison of the HRA budget for 2018/19 and the proposed budget for 2019/20 is set out in Table 5.1 below:

Table 5.1 HRA Budget 2018/19 and 2019/20

	2018/19 £m	2019/20 £m	Change £m	Change %
Repairs	61.741	61.697	(0.044)	+0.0%
Local Housing Costs	66.608	66.796	0.188	+0.3%
Estate Services Costs	17.336	17.926	0.590	+3.5%
Bad Debt Provision	4.149	6.237	2.088	+50.3%
Debt Financing Costs	51.491	51.615	0.124	+0.2%
Debt Repayment	40.317	18.234	(22.083)	-54.8%
Contbns for Capital Investment	35.605	51.249	15.644	+43.9%
Total Expenditure	277.247	273.754	(3.493)	-1.3%
Rental Income (net of Voids)	(252.779)	(248.455)	4.324	-1.7%
Other Income/Service Charges	(24.468)	(25.299)	(0.831)	+3.4%
Total Income	(277.247)	(273.754)	3.938	-1.3%

6. HRA Business Plan – Short Term and Long Term Financial Evaluation

- 6.1. The revenue aspects of the HRA Business Plan are summarised below:

Table 5.2 HRA Business Plan

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total 4 Years £m	Total 10 Years £m
Repairs	61.697	63.398	64.328	65.196	254.619	669.420
Local Housing Costs	66.796	68.139	67.039	68.662	270.636	718.920
Estate Services Costs	17.926	18.548	18.994	19.451	74.919	45.594
Bad Debt Provision	6.237	5.993	5.809	5.306	23.345	201.834
Debt Financing Costs	51.615	50.911	50.651	49.765	202.942	481.068
Debt Repayment	18.234	11.288	15.642	7.847	53.011	151.200
Contbns for Capital Investment	51.249	61.451	63.301	75.969	251.970	763.566
Total Expenditure	273.754	279.728	285.764	292.196	1,131.442	3,031.602
Rental Income (net of Voids)	(248.455)	(253.927)	(259.438)	(265.421)	(1,027.241)	(2,757.784)
Other Income/Service Charges	(25.299)	(25.801)	(26.326)	(26.775)	(104.201)	(273.818)
Total Income	(273.754)	(279.728)	(285.764)	(292.196)	(1,131.442)	(3,031.602)

7. Capital Programme

- 7.1. The capital expenditure plans for the council housing stock are set out in Table 5.3 below (including the major programmes and the financing of the expenditure). The capital investment strategy is based on ensuring that the properties continue to be maintained in their improved condition in order to promote strong and stable neighbourhoods and the provision of new social and affordable rented housing to meet the continuing demand and need for new homes.

Table 5.3 Capital Expenditure

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total 4 Years £m	Total 10 Years £m
Housing Improvement Programme	48.903	57.020	58.947	59.257	224.127	593.954
New Build and Regeneration	59.431	58.081	43.826	47.157	208.495	400.572
Fire Protection / Sprinklers	15.000	12.000	0.000	0.000	27.000	27.000
Adaptations and Other Investment	10.705	4.556	6.941	8.066	30.268	87.940
Total	134.039	131.657	109.714	114.480	489.890	1,109.466
Funded by:						
Revenue Contributions	(51.249)	(61.451)	(63.301)	(75.969)	(251.970)	(763.566)
Receipts / Grants	(52.423)	(63.014)	(46.413)	(38.511)	(195.361)	(303.341)
Prudential Borrowing	(12.842)	(6.823)	0.000	0.000	(19.665)	(19.665)
Other Resources inc Reserves	(17.525)	(0.369)	0.000	0.000	(22.894)	(22.894)
Total	(134.039)	(131.657)	(109.714)	(114.480)	(489.890)	(1,109.466)

CHAPTER 6 COMMONWEALTH GAMES

1. Background

- 1.1. The 2022 Commonwealth Games were awarded to Birmingham in December 2017, giving a lead in time to the Games of some 4½ years (it is more usual for the lead in time to be around 7 years). The Commonwealth Games will include the participation of more than 6,500 athletes and officials from up to 71 Commonwealth nations and territories, with an expected influx to Birmingham of more than 400,000 unique visitors.
- 1.2. Whilst the Commonwealth Games sporting action will be centred in and around Birmingham, a number of events are planned at venues outside of Birmingham, including a new Aquatics centre in Sandwell, Mountain Biking at Cannock Chase, Lawn Bowls at the home of Bowls England in Leamington Spa, multiple sports at the NEC and Track Cycling at the Olympic Velodrome, in London's Queen Elizabeth II Park.
- 1.3. The benefits of hosting the Commonwealth Games and the opportunities for growth were set out at the time of the bid process. In addition, significant activity has been carried out since then to develop the wider legacy framework on how the delivery of the Games can support legacies for our communities such physical activity and wellbeing, jobs and skills, trade and business, sustainability and culture and tourism, as well as the infrastructure developments.
- 1.4. The Games partners are working towards developing a legacy framework which will set out the plans and programmes to put legacy initiatives in place within the Games plans and ensure we maximise the benefits for all our citizens from hosting the Games.
- 1.5. The funding of the Commonwealth Games overall is complex and includes a substantial contribution from commercial revenues. The Council will fund the development of the Games Village in its entirety, with Government grant support. The remaining balance of costs (known as the Organising Committee budget) is shared between Central Government and the Council on a 75%/25% ratio, representing an investment of £3 from the Government for every £1 of local investment.
- 1.6. The Council's contribution is further reduced through contributions from key local and regional partners.
- 1.7. The final Games budget is being reviewed and agreed by HM Treasury through the Major Projects Review Group (MPRG). However, based on estimates at the time of the Commonwealth Games bid, the total contribution from the Council is estimated at £184.7m. Of this sum £145.1m is capital expenditure (infrastructure) and the remaining £39.6m is revenue expenditure (day to day costs).

1.8. In addition, the Council is required under the terms of the bid to provide a Commonwealth Games Village with sufficient capacity to accommodate a minimum of 6,500 athletes and team officials during Games Time, and will also incur further costs in delivering a range of services to the Games as outlined in the Host City Contract.

2. Council Contribution to Organising Committee Costs

2.1. Based on estimated costs as set out in Birmingham's bid for the 2022 Commonwealth Games, Birmingham City Council's 25% share of the Organising Committee costs is estimated to amount to £184.7m. It should be noted however that the overall budget for the Organising Committee (the Games budget) has yet to be announced by Government. The Council will be applying cost control measures in order to address the potential for overspends.

2.2. The overall estimated capital costs to the Council and associated funding are set out in Table 6.1.

Table 6.1 Capital Costs and Funding of the Commonwealth Games

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
Capital Expenditure						
Alexander Stadium	2.536	26.200	37.134	6.484	0.000	72.354
Other (including Aquatics Centre)	0.000	2.261	1.829	1.201	67.438	72.730
Total Capital Expenditure	2.536	28.461	38.963	7.685	67.438	145.084
Capital Funding						
Borrowing	0.000	(11.297)	(38.703)	0.000	0.000	(50.000)
Corporate Capital Resources	(2.536)	(17.164)	0.000	0.000	0.000	(19.700)
Partner Capital Contributions	0.000	0.000	(0.260)	(7.685)	(67.054)	(75.000)
Revenue Contributions	0.000	0.000	0.000	0.000	(0.384)	(0.384)
Total Capital Funding	(2.536)	(28.461)	(38.963)	(7.685)	(67.438)	(145.084)

2.3. The estimated revenue costs to the Council are set out in Table 6.2 below.

Table 6.2 Revenue Costs of the Commonwealth Games

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
Revenue Expenditure						
Contribution to OC Budget	2.746	2.000	5.500	19.754	9.212	39.212
Revenue Contributions to fund Capital Programme	0.000	0.000	0.000	0.000	0.384	0.384
Contingency	0.000	0.000	0.000	0.000	1.404	1.404
Total Revenue Expenditure	2.746	2.000	5.500	19.754	11.000	41.000
Revenue Funding						
Partner Revenue Contributions	0.000	0.000	0.000	0.000	(1.000)	(1.000)
BCC Revenue contributions	(2.746)	(2.000)	(5.500)	(19.754)	(10.000)	(40.000)
Total Revenue Funding	(2.746)	(2.000)	(5.500)	(19.754)	(11.000)	(41.000)
Net Revenue (Surplus) / Deficit	0.000	0.000	0.000	0.000	0.000	0.000

- 2.4. The Organising Committee's costs include a number of major capital projects (principally relating to the Alexander Stadium and a contribution to the costs of the construction of a new Aquatics Centre in Sandwell), as well as substantial revenue costs closer to Games Time relating to the planning and operation of the Games themselves. Rather than each individual element being subject to a 75%/25% funding split, it has been agreed that the Council will fund all capital expenditure in the first instance, with a "top-up" revenue contribution to achieve the required overall contribution level.
- 2.5. The Council's overall proposed capital contribution amounts to £145.1m, of which £72.4m relates to the refurbishment of the Alexander Stadium, with the balance of £72.7m covering contributions to the Aquatics Centre, capital elements of security expenditure, capital investment required to other venues and capital contingencies. Further details will become available at the time of Government confirmation of the overall Games Budget.
- 2.6. The refurbishment of the Alexander Stadium will deliver an athletics stadium with a capacity of 40,000 during Games Time, reducing to around half this level subsequently, together with a 6-lane 400m warm up track, community facilities and substantial commercial space opportunities, to deliver a sustainable Stadium operation and ensure a lasting legacy post-Games.
- 2.7. Funding for the overall capital contribution is anticipated to include partner contributions totalling £75.0m, together with prudential borrowing of £50.0m, existing Council capital resources of £19.7m and a balance of £0.4m to be funded through revenue contributions.
- 2.8. The Council's balance of contributions, anticipated to be £40.0m, is not directly attributable to individual projects or elements of the Organising Committee's costs, but will instead represent a general contribution to their overall costs. Although the Council is continuing to explore alternative funding

arrangements for this contribution, resources have been identified for this purpose that will be sufficient to meet these funding liabilities as they fall due, with the majority of expenditure anticipated to be incurred in 2021/22 and 2022/23.

- 2.9. The Council has been prudent in its planning assumptions to set aside reserves in advance of when revenue costs are anticipated. The Council is currently planning to release the reserves as necessary so that the overall cost to the Council remains £40.0m. This can be seen in Table 6.3.

Table 6.3 Net Revenue Impact of the Commonwealth Games

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
CWG Expenditure profile	2.746	2.000	5.500	19.754	9.596	39.596
Contingency	0.000	0.000	0.000	0.000	1.404	1.404
Contributions to reserves (forward funding)	2.000	7.400	0.000	0.000	0.000	9.400
Drawing down of reserves	0.000	0.000	(2.900)	(6.500)	0.000	(9.400)
Third party contribution	0.000	0.000	0.000	0.000	(1.000)	(1.000)
Net BCC Revenue Impact	4.746	9.400	2.600	13.254	10.000	40.000

3. Commonwealth Games Village

- 3.1. The Council will deliver a new housing development to be utilised as the Commonwealth Games Village in 2022, and then be converted to mixed tenure housing thereafter. The Village will be located on the former BCU site in Perry Barr, and will provide accommodation for at least 6,500 athletes and officials during the Commonwealth Games, which will be converted into over 1,400 residential dwellings afterwards. This will include social and affordable housing, an extra care facility for older people, properties for sale and properties for rent at market rent levels.
- 3.2. This development will also deliver substantial improvements in public realm, transport and wider infrastructure around the Perry Barr area, including improvements to the local train station and bus interchange, the provision of a SPRINT high-speed bus corridor and infrastructure between Birmingham and Walsall, and substantial remodelling of road layouts.
- 3.3. It is estimated that the capital costs of the development will amount to £519.9m, to be funded from a combination of external grants (totalling in excess of £185m) and proceeds from the sale of land and properties after the Games have concluded. This includes a proposal to sell £100m of the properties to InReach, the Council's wholly owned private rented housing vehicle.
- 3.4. The overall development was the subject of an Initial Business Case approved by Cabinet on 26 June 2018, with detailed further full business cases for individual elements of the programme to be considered as they become necessary. Planning Consent was granted for the Village development in December 2018.

Table 6.4 Commonwealth Games Village Capital Costs and Funding

	2018/19 & prior £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 and later £m	Total £m
Capital Expenditure						
Land Acquisition	48.500					48.500
Construction Costs	1.400	124.300	100.500	25.200	27.100	278.500
Infrastructure / Highways	14.000	26.900	13.300	10.000	3.500	67.700
Transportation	5.950	7.050	17.600	16.900	4.000	51.500
Fees	3.000	1.100	1.000	1.000	1.500	7.600
Contingency	9.740	13.651	13.510	5.470	4.010	46.330
Capitalised Interest	0.300	1.600	4.390	6.780	6.690	19.760
Total Capital Expenditure	82.890	174.601	150.300	65.350	46.800	519.890
Capital Funding						
Government Infrastructure Funding	(43.900)	(91.500)	(15.100)	(6.000)	(2.000)	(158.500)
Land Remediation Fund	(19.201)	(0.774)				(19.975)
Sales Proceeds		(2.700)			(300.500)	(303.200)
HS2 Connectivity	(0.600)	(7.000)	(10.000)	(11.400)	(1.000)	(30.000)
Prudential Borrowing	(19.139)	(73.176)	(119.800)	(44.900)	(42.800)	(299.815)
Prudential Borrowing Repaid		2.700			297.115	299.815
Other incl. Grants	(0.050)	(2.151)	(5.400)	(3.050)	(1.000)	(11.600)
Total Capital Funding	(82.890)	(174.601)	(150.300)	(65.350)	(50.185)	(523.275)
Net Capital Impact	0.000	0.000	0.000	0.000	(3.385)	(3.385)

4. Direct Council Revenue Costs

- 4.1. As would be expected for a major project of this scale, the Council has put into place a dedicated project team to exercise BCCs obligations under the Host City Contract, manage the overall programme and to manage relationships with key stakeholders, including the Organising Committee, Commonwealth Games Federation, residents and central government. The size and composition of this team will evolve as the programme progresses, but an initial provision of up to £5.0m was identified for this team and other project costs at the time of the successful bid for the Games. The timing of costs being incurred and the adequacy of this initial provision will continue to be robustly monitored and managed through the period to 2022.
- 4.2. In addition to the above costs, the Council will also incur operational costs during the Games themselves (these may include additional costs associated with street cleaning, traffic management etc. as a result of the increased numbers of spectators at specific venues). Details of the extent of such additional costs will be fully developed in the lead-up to the games, but are anticipated to be substantially funded through “business as usual” budgets in the first instance, with only genuine additionality that cannot be absorbed into day-to day costs requiring additional Council funding as a part of the Commonwealth Games programme.

CHAPTER 7: CAPITAL STRATEGY AND PROGRAMME

1. Summary

- 1.1. This capital strategy sets out the main influences for the capital programme, and how the available resources have been used to meet the Council's key priorities. It sets out the planned use of borrowing, including treasury management activity, and how capital risks are managed.
- 1.2. The capital strategy has been prepared having regard to CIPFA's Prudential Code and Treasury Management Code.

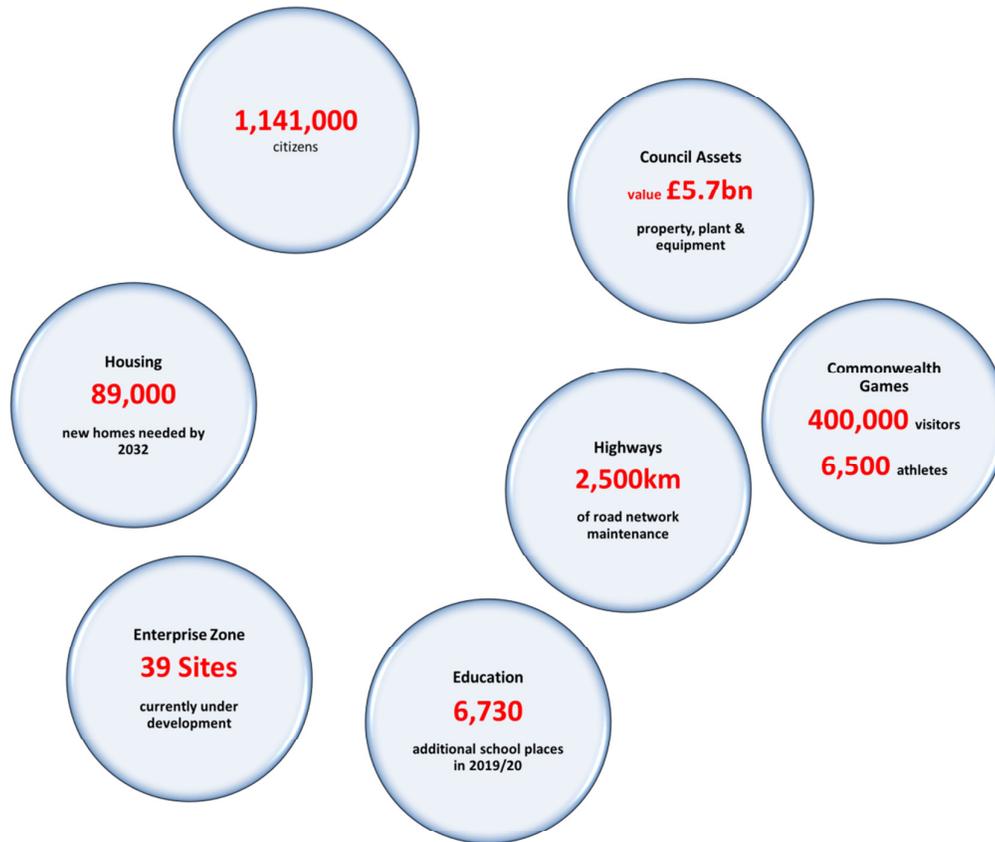
2. Objectives

- 2.1. The overall objective of the Council's Capital Strategy and Programme is for capital investment to support the Council Plan priorities. This will be achieved by:
 - Integrating capital budget decisions into the annual planning process, so that decisions are prioritised alongside plans for revenue income and expenditure, as well as plans for assets (including the Council's land and buildings) and liabilities (including the prudent use of borrowing)
 - Co-ordinating the management of capital through the Capital Board, which oversees a 'one Council' approach to capital management

3. Strategic Context

- 3.1. The drivers of the Council's capital programme are complex, and bring together many aspects of the Council's service and financial planning. This is informed particularly by the Council Plan, which sets out the Council's planned outcomes and priorities for the medium term. These have been taken into account in the development and prioritisation of capital proposals as described below.
- 3.2. Key drivers of capital investment include:
 - The Council's property, plant and equipment is valued at over £5.7billion in its accounts. Reforming this portfolio to be fit for the Council's future needs and service delivery models is a key focus of the property strategy described in section 5.3 below
 - The Council's schools estate continues to evolve rapidly 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
 - Economic regeneration and transport remain a key priority for the city's future prosperity, and the advent of HS2 rail terminal at Curzon Street station represents a major opportunity which forms part of the city's Enterprise Zone

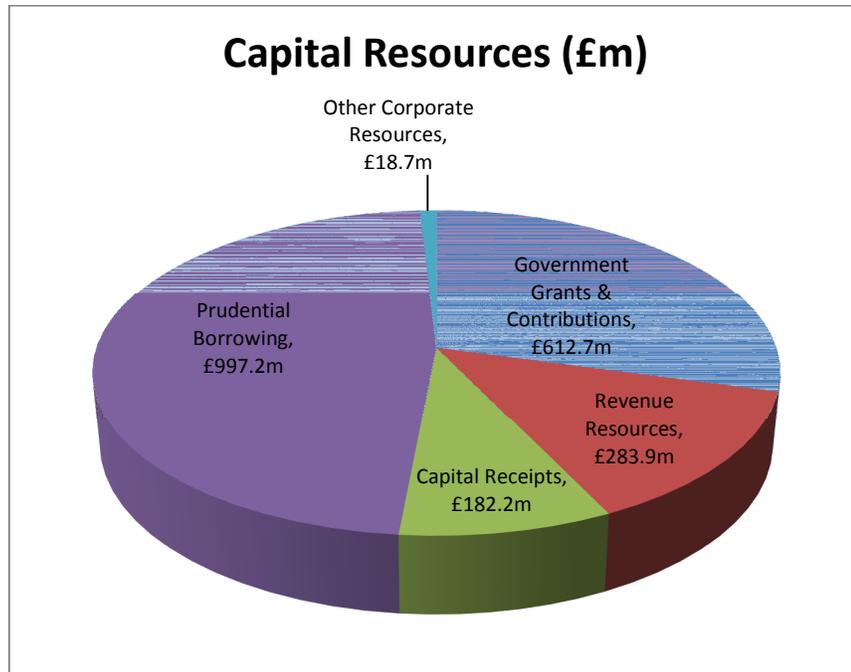
- Meeting the housing needs of Birmingham remains a major priority, both within the Council’s HRA, and through its support for other housing development both for sale and for private rented accommodation
- The Commonwealth Games is a one-off opportunity for Birmingham which is a key priority for the next few years, as described in Chapter 6



3.3. 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.

4. Capital Resources

- 4.1. Resources of £2,094.8m have been identified to fund the four year capital programme from 2019/20 to 2022/23, summarised as follows:



- 4.2. A significant part of the Council's capital resources can only be used for particular purposes. These are referred to as specific resources. This includes capital grants and contributions of £612.7m, and Council resources which relate to the Housing Revenue Account, including HRA revenue resources of £272.1m and HRA capital receipts of £140.7m.
- 4.3. 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.
- 4.4. Corporate resources of £1,057.5m have been budgeted for use to finance the capital programme over the coming four years. This includes the use of prudential borrowing and, and capital receipts from asset sales. Revised or additional capital budgets may be approved by Cabinet, subject to compliance with 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.
- 4.5. 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. £997.2m 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.

- 4.6. 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.
- 4.7. A breakdown of the resources used in financing the capital programme is at Appendix R1. Further details of all capital grants are shown in Appendix R2.

5. Capital Strategy

- 5.1. In the above context of needs and resources, the Council has developed the following policies to guide the management of capital (arrangements are set out more fully in Appendix L):
 - The management of capital will be overseen by the Capital Board, through strong 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
 - Revised or additional capital budgets may be approved by Cabinet, subject to compliance with the Council's Prudential borrowing limit. 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
 - CIPFA's Prudential Code and Treasury Management Code have been adopted by the Council
 - All use of capital resources, including capital receipts, will be prioritised across the Council as a whole in relation to the Council's key priorities
 - Property and other assets will be managed by the Property and Assets Board in accordance with the Property Strategy (summarised at Appendix M)
 - The use, re-use, and disposal of the Council's land and buildings will be reviewed by the Property and Assets Board to secure best value for the Council's priorities
 - The Council will encourage community engagement in the operation of properties in support of specific key priorities, and may commission community asset transfers where appropriate
 - 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 U. General Fund borrowing costs (including interest and repayment charges) in 2019/20 represent 29.3% 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. In order to ensure that borrowing remains at an affordable and sustainable level, the Council will seek over the medium term to manage its new prudential borrowing for normal service delivery at a level which is close to the amount which

it sets aside each year for debt repayment. Borrowing for the Commonwealth Games is an exception to this policy, but this is mostly planned to be repaid from the sale of the Games Village after the Games

5.2. Capital priorities for new projects and programmes have therefore focussed on the following areas:

- Expenditure which may be funded from external grants and contributions, especially where it supports key priorities
- Statutory requirements and other legal commitments
- Proposals which support revenue savings, income or service transformation
- Other key priorities as far as resources are available, especially as set out in the Council Plan

Links to Property Strategy

5.3. A new Property Strategy was approved by Cabinet in November 2018. The Property Strategy will provide a long term strategic approach to the management of the Council's real estate. It will maximise commercial and social returns by re-aligning the property assets, ensuring they act as a catalyst for development and inclusive economic growth and underpin the social fabric of communities across the city. In order to achieve this vision the Strategy divides the existing property assets in to four key themes:

- Investment – this portfolio will focus on increasing efficiency by selling underperforming properties and reinvesting the proceeds to maximise returns within a balanced and prudent risk management strategy
- Growth and Development – focusing on key growth areas land and buildings will be utilised as catalysts for development and regeneration to deliver new homes and jobs
- Community – support community organisations to deliver Council's core objectives, encouraging independent social cohesion using sport, culture and third sector neighbourhood activities
- Operational – efficient and rationalised buildings to support the provision of modern 21st century council services

5.4. A summary of the overall strategy and the strategies for each of these portfolios is at Appendix N. Residential houses, transport infrastructure, and schools are subject to their own Strategies.

Links to Commercialisation Strategy

5.5. The Council's Commercialisation Strategy focusses on "*Taking a business-like approach in every service, every day – making every £ count for Birmingham*". This recognises that to maximise performance 'commercial

thinking' needs to be embedded across the organisation. To support this, the Council has developed a Programme Management Office (PMO) that will support the management of investment and risk in the delivery of commercial and other financial initiatives. A team will be created with excellent financial acumen that leads on and supports activities related to commercialism which will enable the facilitation of an organisation-wide behavioural change that promotes enablement and empowerment – underpinned by better, faster, cheaper methodology

- 5.6. The Council's risk management approach recognises that currently the Council has low to moderate ability and appetite to take significant new risks, in light of the existing financial challenges and risks the Council is currently managing. The PMO plays a key role in ensuring that where risks are taken they are fully understood and proactively managed.
- 5.7. Investment in loans, shares and commercial property plays a significant part in a more commercial approach to the Council's activities, including its working with business and community partners. The Service and Commercial Investment Strategy at Appendix Q sets out the investment activity and risk management processes which support this agenda. A low-risk policy towards investments is proposed, with a limit on the size of the overall financial investment portfolio at £420m.

6. Capital Programme

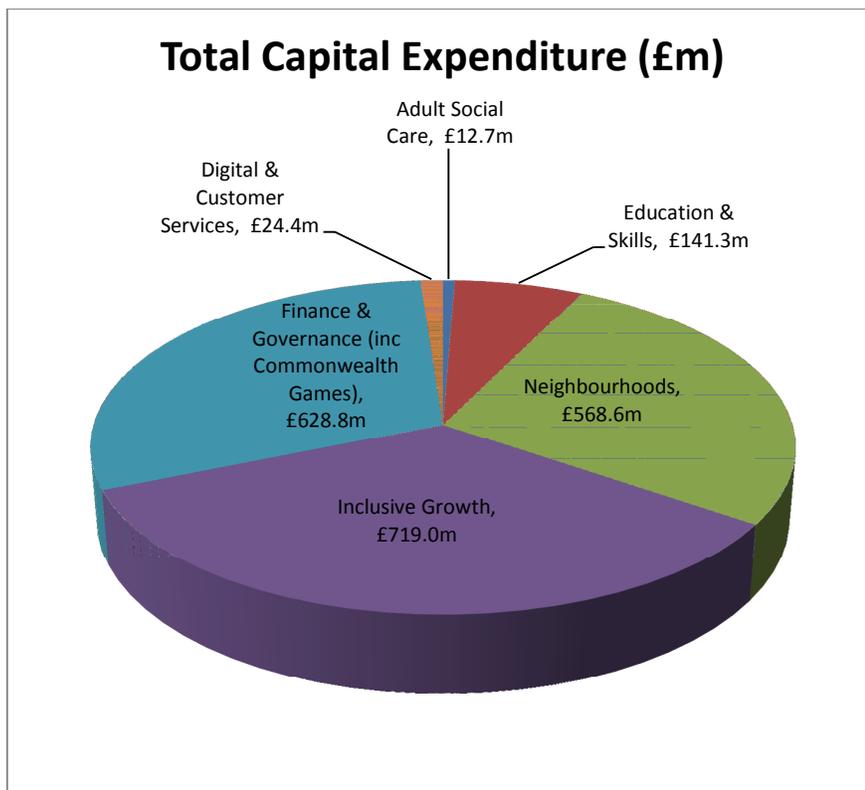
- 6.1. Based on the above strategy, the proposed Capital Programme totals £631.5m in 2019/20 and £2,094.8m over the four year period. This includes:
 - Major investment in schools and Children of £141.3m
 - Investment in Council housing through the HRA of £489.9m
 - £234.7m investment in private rented housing through InReach, the Council's private rented property company
 - £200.1m on roads and transport infrastructure
 - £33.2m for the Waste Management Service Strategy
 - £12.8m on Grounds maintenance fleet and £11.8m on Waste vehicles fleet renewals
 - £421.7m (in the four year period) on the Commonwealth Games village and related infrastructure in the Perry Barr area
 - Spend of £69.8m in relation to the Alexander Stadium, and a further £72.7m of capital in support of other Commonwealth Games capital expenditure is assumed in the four year plan period. This is based on the Council's bid submission pending the Government's announcement of the approved budget. This is described more fully in Chapter 6
 - Continuing commitment to the funding of development in the Enterprise Zone totalling £210.6m over the next four years, including investment to

enable Birmingham to get the most out of the HS2 Curzon railway station

- Investment to support the rationalisation and transformation of the Council's operational and investment property portfolios, and other investment to support the Council's revenue budget
- £24.3m for ICT&D investment

6.2. New budgets have been identified through the prioritisation process and added to the capital programme in this budget. These total £428.7m and are set out in Appendix S3. Further budgets funded from Government allocations of capital grants (for example for schools and transport) will be added to the programme when the allocations are known.

6.3. The updated Capital Programme for £2,094.8m for the next four years is therefore as follows:



6.4. Appendix S provides further details of the capital programme, including a summary of the projects included; and a longer term ten year view of identified capital plans, consistent with the Council's Long Term Financial Plan.

6.5. Appendix N summarises the Capital and Asset Strategies for individual services. It outlines the main plans at service level for strategically aligned and affordable asset use and capital investment, relating to the service plans and savings proposals contained throughout this Council Plan.

- 6.6. A General Fund capital policy contingency of £25m has been included in this budget in order to manage unexpected needs arising during the financial year before the next annual budget process. The use of the contingency will be approved by Cabinet and will be managed by the Capital Board.
- 6.7. Much of the capital programme is delivered through partnership working, especially with the WMCA and the GBSLEP. The Council acts as Accountable Body for the GBSLEP, and carries out significant prudential borrowing in support of the 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.
- 6.8. Capital receipts are also used to finance debt repayment in accordance with the Council's MRP policy, and to meet equal pay settlements. The financial implications of the funding of equal pay settlements have been included in this Financial Plan. This takes account of borrowing costs and loss of income arising from asset sales.

7. Debt and Treasury Management

- 7.1. 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 £4,300.0m for 2019/20, £4,400.0m in 2020/21 and £4,500.0m in 2021/22. This includes new temporary borrowing for the Commonwealth Games Village (£300m) and the Investment Property portfolio (£50m), both of which are planned to be fully repaid within five years from the related asset sales.

7.2. The limit is calculated as follows

Table 7.2 Forecast Debt and Authorised Prudential Limit Based on the Current Capital Programme

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Forecast opening gross loan debt	3,297.8	3,572.7	3,761.8	3,911.3
Capital expenditure financed from borrowing				
- Self Funded	236.2	246.8	145.5	273.0
- Requiring budget support	32.1	48.8	6.6	8.3
Other cash flows	159.1	35.0	144.4	(222.4)
Less loan debt revenue repayment provision	(152.5)	(141.5)	(147.0)	(131.3)
Forecast closing gross loan debt	3,572.7	3,761.8	3,911.3	3,838.9
Closing PFI and similar debt liabilities	432.5	415.5	396.7	373.5
Forecast closing debt (loans, PFI, etc)	4,005.2	4,177.3	4,308.0	4,212.4
Allowance for planned cashflows, day to day fluctuations and other potential borrowing	294.8	222.7	192.0	187.6
Authorised Prudential Limit for Debt	4,300.0	4,400.0	4,500.0	4,400.0
Analysis of forecast closing debt:				
General Fund Debt	2,967.4	3,148.4	3,298.5	3,216.1
HRA Debt	1,037.8	1,028.9	1,009.5	996.3

7.3. Appendix R3 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.

7.4. 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 V.

7.5. 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 O and P.

8. Management of Guarantees and Partnership Finance Risks

8.1. The Council has entered into financial guarantees and other obligations which are subject to risk management arrangements.

8.2. The Council has guaranteed £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 is reflected in the Council's own debt and is managed as part of treasury activity.

8.3. The Council has also provided guarantees in respect of staff TUPE'd to external bodies and who have retained membership of the Local Government Pension Scheme (LGPS) to the West Midlands Pension Fund for pension deficits and to some of the external bodies in respect of changes to contribution rates. To minimise the risks to the Council, external bodies may

be required to take out a bond, payable on any default. The assessed residual risk has been recognised in the Council's financial statements.

- 8.4. 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.
- 8.5. The Council participates in other joint ventures and companies. The Council may give letters of assurance in support of these activities and any assessed risk is accounted for in the Council's financial statements.

CHAPTER 8: S151 OFFICER STATEMENTS

1. Assessment of Budget Estimates

- 1.1. Forecasts of available resources have been updated and revised where necessary. A range of financial issues, costs and projects/programmes have been identified and an appropriate level of budget has been provided. Proposals have been developed to deliver the required savings with due regard to consultation and equality assessment requirements, and management arrangements have been put in place to mitigate any residual risks as much as practically possible. Financial proposals have been developed in order to address the policy priorities of the Council. The budget is monitored closely, and there are contingencies and reserves/balances which could be made available, if necessary, to address unexpected events. One-off resources will remain in the Financial Resilience Reserve (FRR) to provide some further contingency against budget delivery difficulties.
- 1.2. Therefore, taking the above into account, together with the comprehensive business and financial planning process, the level of reserves and balances and the approach to risk management, the Chief Finance Officer is satisfied that the 2019/20 Budget proposals are based on robust estimates.

2. Level of Reserves and Balances

- 2.1. The financial challenge the Council is facing involves making savings that are of an extremely difficult and complex nature.
- 2.2. Chapter 3 paragraphs 17-27 include details of the Council's reserves and balances.
- 2.3. There are rigorous arrangements in place for the management of the Council's finances and funds could be made available in the short-term to address any urgent financial issues, although they are expected to be needed in the long-term.
- 2.4. In the light of this, the formal view of the Chief Finance Officer is that the level of reserves and balances for 2019/20, summarised in this Financial Plan, is adequate. This needs to be kept under regular review, both in the short and medium term.

3. Adult Social Care Precept

- 3.1. The Chief Finance Officer is satisfied that the Council Tax income yield from the Social Care Precept has been utilised to meet adult social care costs.

4. Capital

- 4.1. The Prudential Code recommends that Chief Finance Officers report on the affordability and risk associated with the capital strategy. The capital programme is fully financed from a combination of existing resources, a prudent assessment of expected capital receipts generation, and an affordable level of borrowing. The Council has a relatively high level of borrowing compared with most other authorities, but the policy set out in the Capital Strategy and Appendix L is that the Council will seek over the medium term to manage its new prudential borrowing for normal service delivery at a level which is close to the amount which it sets aside each year for debt repayment. Borrowing for the Commonwealth Games is an exception to this policy, but this is mostly planned to be repaid from the sale of the Games Village after the Games. In the context of the risks facing the Council's finances overall, the Council's commercial and financial investment strategy sets out a low risk appetite (Appendix Q). The Council's debt repayment policy at Appendix U results in a strong debt repayment profile, which is illustrated in the Treasury Strategy Appendix O Figure O.5.

APPENDIX A: LONG-TERM FINANCIAL PLAN

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m							
Base Budget 2018/19	855.189	855.189	855.189	855.189	855.189	855.189	855.189	855.189	855.189	855.189
Pay & Price Inflation	19.387	40.431	59.531	79.194	99.511	120.465	142.068	164.343	187.306	210.973
Meeting Budget Issues and Policy Choices	37.606	36.861	52.945	47.280	43.407	52.584	63.365	73.818	83.293	92.829
Savings Plans	(46.191)	(68.393)	(82.470)	(84.790)	(84.573)	(84.680)	(84.766)	(84.849)	(84.904)	(84.960)
Corporate Adjustments:										
Net change in use of / contribution to reserves to balance budget	24.632	24.632	25.542	26.542	27.542	28.542	29.542	30.542	30.542	30.542
Other net change in use / contribution to reserves	(12.356)	(27.145)	(24.193)	(13.843)	(11.622)	(11.988)	(12.812)	(13.705)	(13.611)	(16.931)
Corporately Managed Budgets	4.318	20.040	22.152	22.430	26.439	22.527	15.449	3.247	3.698	(16.943)
Changes in Corporate Government Grants	(30.995)	(14.240)	(16.208)	(17.273)	(19.849)	(20.760)	(21.691)	(22.644)	(24.448)	(26.284)
Total Net Expenditure	851.590	867.375	892.488	914.729	936.044	961.879	986.344	1,005.941	1,037.065	1,044.415
Business Rates	(437.069)	(450.904)	(464.769)	(476.937)	(489.412)	(502.193)	(515.290)	(528.709)	(542.458)	(556.547)
Top Up Grant	(54.447)	(55.426)	(56.533)	(57.662)	(58.815)	(59.990)	(61.188)	(62.411)	(63.658)	(64.930)
Council Tax	(347.394)	(361.142)	(371.164)	(381.466)	(392.057)	(402.944)	(414.137)	(425.646)	(437.477)	(449.639)
Collection Fund (Surplus)/Deficit Business Rates	(12.680)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Collection Fund (Surplus)/Deficit Council Tax	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Resources	(851.590)	(867.472)	(892.466)	(916.065)	(940.284)	(965.127)	(990.615)	(1,016.766)	(1,043.593)	(1,071.116)
Gap	0.000	(0.097)	0.022	(1.336)	(4.240)	(3.248)	(4.271)	(10.825)	(6.528)	(26.701)

APPENDIX B: REVENUE GRANTS

Grant	2018/19 Original Budget	2019/20 Budget	Variation	2020/21 Budget
	£m	£m	£m	£m
Top Up Grant	91.744	54.447	(37.297)	55.426
Subtotal Core Grants	91.744	54.447	(37.297)	55.426
Improved Better Care Fund	47.328	60.321	12.993	60.321
Small Business Rate and Other Section 31 Grants Compensation	26.959	32.589	5.630	33.176
Section 31 Grant for Business Rates / Top Up Inflation Cap	10.578	12.441	1.863	12.628
New Homes Bonus	8.049	6.891	(1.158)	4.529
Social Care Support Grant	0.000	9.567	9.567	0.000
Winter Pressures Grant	0.000	5.600	5.600	0.000
Adult Social Care Support Grant	3.500	0.000	(3.500)	0.000
Subtotal Corporate Grants	96.414	127.409	30.995	110.654
Directorate Grants				
Public Health Grant	90.818	88.420	(2.398)	88.420
The Private Finance Initiative (PFI) - Highways	50.311	50.311	0.000	50.311
Better Care Fund	32.969	35.585	2.616	35.585
The Private Finance Initiative (PFI) - Education	18.232	18.232	0.000	18.232
Birmingham Adult Education Services from Skills and Education Funding Agencies	10.533	10.533	0.000	0.000
Housing Benefit Administration Subsidy and Localising Council Tax Support Grant	6.878	6.627	(0.251)	6.227
Flexible Homeless Support Grant	4.156	4.675	0.519	0.000
Independent Living Fund	4.274	4.084	(0.190)	3.880
Teachers Pay Grant	0.000	3.990	3.990	0.000
Illegal Money Lending Team	3.605	3.831	0.226	3.831
MAST/PE Teacher Release Funding	3.851	3.726	(0.125)	3.726
Youth Employment Initiative	11.831	3.408	(8.423)	3.457
Asylum Seekers	3.328	3.154	(0.174)	3.154
Home Office Grant-Syrian Refugees	1.586	2.770	1.184	2.177
PURE	0.000	2.000	2.000	2.000
Youth Justice Board Grant	1.916	1.916	0.000	1.916
Housing First	0.000	1.830	1.830	1.800
ESF GBSLEP Skills Fund	0.000	1.252	1.252	2.484
LEP Funding - Snow Hill Station	0.500	1.188	0.688	0.000
Troubled Families Grants	4.009	1.165	(2.844)	0.000
Business Growth Programme	0.000	0.808	0.808	1.009
Local Reform and Community Voices	0.777	0.800	0.023	0.788
ESF 1.1 Progression Pathways	0.000	0.788	0.788	0.417
Wholesale Markets - Witton	0.781	0.781	0.000	0.781
New Burdens - Homelessness Reduction Act	0.503	0.715	0.212	0.000
New Homes Bonus Affordable Homes Element	0.714	0.714	0.000	0.714
Additional New Burdens	0.085	0.640	0.555	0.640
Remand Framework Allocation	0.408	0.568	0.160	0.568
Rough Sleeping Initiative	0.000	0.500	0.500	0.000
Staying Put Grant	0.463	0.472	0.009	0.472
Verify Earning & Pensions Alert (Formerly Right Benefit Initiative)	0.330	0.456	0.126	0.456
Home Office Prevent Programme	0.838	0.413	(0.425)	0.413
School Improvement & Brokering	0.400	0.400	0.000	0.000
Scam Busters	0.335	0.320	(0.015)	0.320
Universal Credit Funding	0.854	0.304	(0.550)	0.304
West Midlands Strategic Migration Partnership	0.228	0.228	0.000	0.000
Social Care in Prisons Grant	0.204	0.227	0.023	0.215
Big Data Corridor	0.360	0.159	(0.201)	0.000
Direct Salaries Grant	0.186	0.120	(0.066)	0.000

Grant	2018/19 Original Budget	2019/20 Budget	Variation	2020/21 Budget
	£m	£m	£m	£m
Extended Rights to Free Travel	0.095	0.119	0.024	0.119
Brexit Preparation	0.000	0.105	0.105	0.000
War Pensions Disregard	0.117	0.101	(0.016)	0.101
Natural England Grant for Higher Level Stewardship in Sutton Park	0.095	0.097	0.002	0.097
Project Jive	0.000	0.092	0.092	0.092
Magistrates Grant	0.072	0.069	(0.003)	0.066
Police and Crime Panel	0.066	0.066	0.000	0.066
Local Lead Flood Authority Grant	0.044	0.047	0.003	0.050
Pure Cosmos	0.046	0.046	0.000	0.046
Virtual School Head S31 Grant	0.000	0.040	0.040	0.000
Participatory Urban Living for Sustainable Environments - Horizon 2020	0.061	0.036	(0.025)	0.000
Moderation & Phonics Grant	0.031	0.029	(0.002)	0.029
Natural England Grant for Higher Level Stewardship Grasslands	0.025	0.026	0.001	0.026
ERDF - Property Investment Programme	0.091	0.022	(0.069)	0.051
Transition Towards Industrial Symbiosis	0.050	0.014	(0.036)	0.014
Transparency Code	0.013	0.013	0.000	0.013
Natural England Grant for Higher Level Stewardship Lickey Hills	0.009	0.009	0.000	0.009
NHS Supply Chain - Healthy Start & Vitamins	0.008	0.008	0.000	0.008
Business Growth Programme	3.306	0.000	(3.306)	0.000
New Burdens - Discretionary Housing Payments Administration	0.250	0.000	(0.250)	0.000
New Burdens - Benefits Cap	0.433	0.000	(0.433)	0.000
New Burdens - Employee Support Allowance Work Related Activity Component Removal Payments	0.025	0.000	(0.025)	0.000
New Burdens - Local Authority Data Share	0.002	0.000	(0.002)	0.000
New Burdens - Real Time Information	0.075	0.000	(0.075)	0.000
Homelessness Trail Blazers	0.700	0.000	(0.700)	0.000
Special Educational Needs & Disabilities Implementation	0.621	0.000	(0.621)	0.000
European Capital of Running	0.529	0.000	(0.529)	0.000
Bikeability Grant	0.383	0.000	(0.383)	0.000
Homelessness Rough Sleepers	0.200	0.000	(0.200)	0.000
Optimum	0.050	0.000	(0.050)	0.000
Heritage Lottery Fund	0.046	0.000	(0.046)	0.000
Unlocking Stalled Housing Sites	0.030	0.000	(0.030)	0.000
Single Fraud Investigation Service	0.024	0.000	(0.024)	0.000
SETA - Horizon 2020	0.020	0.000	(0.020)	0.000
Urban Vital Cities	0.019	0.000	(0.019)	0.000
Police Elections	0.000	0.000	0.000	1.000
Welfare Reforms - Reduce Temporary Absence Outside GB	0.012	0.000	(0.012)	0.000
Welfare Reforms - Migrants Access to Benefits	0.012	0.000	(0.012)	0.000
Youth Music Programme	0.008	0.000	(0.008)	0.000
Welfare Reforms - Removal of Assessed Income Period	0.007	0.000	(0.007)	0.000
Data Sharing Grant - IT	0.007	0.000	(0.007)	0.000
Subtotal Directorate Grants	263.845	259.049	(4.796)	236.084
Expenditure Reimbursement Grants				
Mandatory Rent Allowances: Subsidy	313.079	343.056	29.977	343.056
Rent Rebates Granted to HRA Tenants: Subsidy	164.913	150.097	(14.816)	150.097
Discretionary Housing Payments (DHPs)	4.784	4.782	(0.002)	4.782
Higher Education Funding Council (HEFC)	0.677	0.639	(0.038)	0.639
Subtotal Expenditure Reimbursement Grants	483.453	498.574	15.121	498.574

Grant	2018/19 Original Budget	2019/20 Budget	Variation	2020/21 Budget
	£m	£m	£m	£m
Direct Schools Funding Grants				
Dedicated Schools Grant (DSG)	665.638	661.335	(4.303)	661.335
Pupil Premium Grant	47.618	46.737	(0.881)	46.737
Sixth Form Funding from Education Funding Agency	14.190	12.291	(1.899)	12.291
Universal Infant Free School Meals	9.363	9.025	(0.338)	9.025
Subtotal Direct Schools Funding Grants	736.809	729.388	(7.421)	729.388
Total Grants	1,672.265	1,668.867	(3.398)	1,630.126

Further Information on Revenue Grants over £5m

Whilst the Core and Corporate Grants are considered in more detail within Chapter 2 further details of all the other revenue grants that exceed £5m are given below.

Public Health Grant - £88.4m

Since 1 April 2013 the Council has been responsible for providing a range of public health services including sexual health, smoking cessation, drugs and alcohol abuse and promoting healthy lifestyles. On 1 October 2015, the Government also transferred the responsibility for commissioning 0-5 year old children's public health services from NHS England to Local Government. Funding is received by the Council as a ring-fenced grant and is overseen by the Health and Wellbeing Board. Most of the funding is spent on services commissioned from NHS Trusts, Primary Care contractors, the Third Sector and the Council.

The grant is ring-fenced and can only be used on public health related activities set out in a range of legislation and included in the grant conditions. The activities also need to be in line with the Health and Wellbeing strategy and, most importantly, Public Health Outcomes will have to improve to reduce the risk of a loss of funding in the future.

The Department of Health confirmed the Public Health Grant allocations for 2019/20 on 20 December 2018. The amounts provided to Birmingham for the provision of Public Health services were confirmed as £88.4m in 2019/20, an overall reduction of £2.4m on the grant received in 2018/19. This decrease is in line with the general reduction in Public Health funding announced by the Government in June 2015 and the Spending Review in November 2015 and subsequent announcements. The Department of Health Circular also included indicative figures for 2020/21 which show the national grant at the same level as 2019/20. The working assumption is, therefore, that no additional reduction would be made in that year

The Government has announced its intention for the Public Health Grant to be funded through retained Business Rates, and that this change will be implemented in 2020/21. This change has not been reflected in the corporate grants shown in the table above.

Better Care Fund - £35.6m

The Better Care Fund (BCF) was announced in June 2013 to drive the locally-led transformation of services to ensure that people receive better and more integrated care and support. The fund has been made available to assist in the improved integration of health and social care services, including through pooled budget arrangements between local authorities and Clinical Commissioning Groups (CCGs).

For Birmingham, Cabinet in March 2014 endorsed the principle of a BCF joint pooled budget for Older Adult Social Care and Health integrated provision between the Council and local NHS CCG's.

Funding will continue into 2019/20, and it is estimated that £35.6m will be available to the Council in that year. This is an increase of £2.6m compared to 2018/19 budgetary assumptions.

Birmingham Adult Education Services from the Skills and Education Funding Agencies – £10.5m

The Council will receive a grant of £10.5m in 2019/20 to continue to provide Adult Life Long Learning Services, which includes the provision of an Adult Skills Programme and a Community Learning Programme for a diverse range of local people from the age of 18 years. From September 2019 funding will be received via the West Midlands Combined Authority, but this has not been reflected in the table above.

Housing Benefit and Council Tax Benefit Subsidy Administration Grant - £6.6m

The Council will receive a base allocation from the Government of £6.6m in 2019/20. This is a reduction of £0.3m from the grant received in 2018/19. The cost of the service will be managed within this reduced resource envelope.

Private Finance Initiative Grants - £68.5m – no change

The Council will continue to receive funding for Private Finance Initiative (PFI) projects of £68.5m being £50.3m for Highways and £18.2m for Schools. Whilst this funding is unringfenced, it is needed to meet contractually committed payments and is not available to meet Council expenditure generally, other than on a temporary basis and requiring repayment.

Other Directorate Revenue Grants

In addition to the main grant funding streams, smaller specific grants continue to be received from Government. Services will need to manage within the level of grant that they receive. A full breakdown of all grants the Council expects to receive in 2019/20 can be seen in the table at the start of this Appendix.

Schools Funding - 2019/20

Schools receive funding via a variety of different grant streams, the main ones being:

- Dedicated Schools Grant - £661.3m
- Pupil Premium - £46.7m
- Education Funding Agency (EFA) - £12.3m
- Universal Infant Free School Meals - £9.0m

The expected funding for 2019/20, based on DSG allocations received in December 2018, and a summary of how schools' funding is applied can be seen in Table B.1 below:

Table B.1

	DSG	Pupil Premium	EFA - Post 16	Universal Infant FSM	Total
	£m	£m	£m	£m	£m
Schools' Delegated	416.6	43.4	12.3	9.0	481.3
Early Years (includes central budgets)	90.7				90.7
High Needs (includes central budgets)	136.0				136.0
Central School Services	18.0	3.3			21.3
Subtotal City Council	661.3	46.7	12.3	9.0	729.3
Academies and other recoupment	527.5	46.5		6.0	580.0
Total	1,188.8	93.2	12.3	15.0	1,309.3

Dedicated Schools Grant (DSG) - £661.3m

DSG is allocated to local authorities in four blocks. Local authorities are allowed to move funding between the blocks to address any specific needs or pressures but there are restrictions on the amount that can be moved from the Schools' block including seeking School Forum approval. The indicative amount announced for Birmingham is £1,188.8m. However, this includes funding for academies that will be recouped by the Education Funding Agency. The indicative estimate for recoupment is £527.5m which leaves the Council with £661.3m grant for its maintained schools and eligible centrally managed commitments. Further academisation during 2019/20, over and above that estimated, will result in further recoupment and reduction in the grant paid to the Council.

The four blocks through which DSG is allocated consist of:

- Schools' block (covering provision in mainstream schools from Reception to Year 11). The 2019/20 notified allocation is £918.1m before recoupment and £416.6m after estimated recoupment
- Early Years block (covering nursery schools, nursery classes and Private, Voluntary and Independent sector providers of early years provision (PVI)s). The 2019/20 indicative allocation is £90.7m (no recoupment applies)
- High Needs block (covering pupils with high needs – defined by the DfE as those requiring provision costing in excess of a given threshold. The 2019/20 indicative allocation is £162m before recoupment and £136m after estimated recoupment
- Central School Services block – this is new for 2019/20 and covers commitments such as Admissions and certain prescribed statutory and regulatory duties. The notified allocation is £18m

Given the national timelines underpinning DSG, the Council will have finalised all its block allocations and budgets to schools and providers by 31 March 2019. Given the nature and different methodologies underpinning calculation of the DSG grant blocks as well as the impact of academisation it is not possible to accurately estimate the

value of DSG beyond 2019/20 which is why the value for future years has currently been left at the 2019/20 level.

Pupil Premium Grant - £46.7m

Pupil Premium is allocated to provide additional funding for pupils in receipt of free school meals. It will apply to all pupils aged from 4 to 15 (year groups Reception to 11) who are:

1. Known to be eligible for free school meals (£1,320 per pupil in primary and £935 per pupil in secondary)
2. Looked After Children (£2,300 per pupil)
3. Children who have ceased to be looked after by a local authority in England and Wales because of adoption, a special guardianship order, a child arrangements order or a residence order (£2,300 per pupil)
4. Pupils whose parents are serving members of the armed forces (Service Children) (£300 per pupil)

As Pupil Premium allocations for 2019/20 have not yet been published by the EFA the budget has been based on the 2018/19 allocation.

For groups 1, 3 & 4 allocations will be calculated on the basis of the January 2019 pupil census. Group 2 allocations will be calculated on the basis of the Children in Need census carried out on 31 March 2019. Academies receive their Pupil Premium allocations directly from the Education Funding Agency.

Education Funding Agency - £12.3m

It is estimated that the Council will receive £12.3m in 2019/20 from the Education Funding Agency (EFA) to fund education and training of 16-19 year olds in sixth forms within schools.

Universal Free School Meal Grant - £9.0m

The grant was introduced for the 2014/15 academic year and is paid to schools to enable them to provide free school meals for pupils in Reception to Year 2. The Council is currently assuming that the grant will continue into the 2019/20 academic year. The £15m grant breaks down between £6m to academies and £9m to the local authority.

Grants to Reimburse Expenditure - £498.6m

The Council receives a number of grants to reimburse costs incurred, mainly in paying benefit claimants. Whilst these form part of the gross budget of the Council, the level of expenditure is determined by claimant demand and eligibility. Payments made to claimants are closely matched by any grant received. The grants to fund benefit expenditure expected to be received by the Council in 2019/20 can be seen in the table at the start of this Appendix. The figures for 2019/20 have been updated

following a comprehensive review and reflect the actual estimated value of benefits payments expected to be made.

APPENDIX C: RESERVES POLICY

1. Background

- 1.1. The purpose of this policy is to set out how the Council will determine and review its overall level of reserves and how it uses them.
- 1.2. The Council is required to maintain adequate financial reserves for meeting unknown and potential estimated future expenditure when calculating the Council Tax requirement.
- 1.3. All planned use of reserves must be for a specific purpose in order to ensure there is a sustainable budget. They should not be used to mitigate the need for ongoing savings. Reserves will only be released upon relevant approval from the Section 151 Officer or Cabinet. See Table 2 below for details.
- 1.4. The Council has usable reserves and unusable reserves on its Balance Sheet. The unusable reserves are as a result of accounting adjustments and are not therefore available to spend. This policy will concentrate on usable reserves.

2. General Policy

- 2.1. Usable reserves can be split into the following categories:
 - General Reserves and Balances
 - Earmarked Reserves
 - Revenue Grant Related Reserves
 - Ring-fenced Reserves
 - Capital Reserves
- 2.2. The Council maintains usable reserves primarily for the following reasons:
 - The need to put aside sums in case of unexpected exceptional future expenditure
 - To smooth out the impact of payments on the revenue account
 - To cover timing differences such as grant money received in any given year where expenditure takes place in a later year
 - To provide pump prime funding for projects to deliver changes in working practices using Invest to Save Reserves. Any approved use must include an agreed repayment plan
- 2.3. Reserves can only be used on a one-off basis which means that their application does not offer a permanent solution to the requirement to deliver significant reductions in the future level of Council expenditure.

- 2.4. Reserves are not to be used to avoid the necessity to make or the failure to deliver ongoing savings

3. Managing the Level of Reserves

- 3.1. The Council must maintain sufficient general reserves and working balances to cover the key financial risks and contingencies.
- 3.2. An assessment will be carried out annually as part of the budget setting process to consider the risks the Council is exposed to and the level of general reserves that are appropriate.
- 3.3. As part of the budget setting process the Section 151 Officer will consider and assess the level of general reserves. Consideration will be given to the strategic, operational and financial risks facing the Council.
- 3.4. Major factors to be considered when evaluating the level of reserves, including but not limited to the following:

Budget Assumptions	Issues to Consider
Inflation and Interest rates volatility	The overall financial standing of the Council
Estimates of the level and timing of Capital Receipts	The trend of the Council's financial management and the robustness of the Long Term Financial Plan
The financial risks inherent in any significant new funding partnerships, major contractual arrangements or major capital programme	The Council's end of year closedown procedures relating to budget under/overspend.
The availability of other funds to deal with major contingencies and the adequacy of provisions	The adequacy of the Council's arrangements to cover major unforeseen risks.

4. Usable Reserves

- 4.1. General Reserves and Balances
- 4.1.1. These are funds that do not have restrictions as to their use. The Council can use them for any purpose within the General Fund. The purpose of general reserves is to manage the impact of exceptional emergencies and unforeseen events. Without such reserves the potential financial impact of these unforeseen events could cause a financial deficit in the General Fund, which would be severely disruptive to the effective operation of the authority. General Reserves held include:

4.1.2. General Fund Balance and Carry Forward Balances

- These reflect the accumulated surpluses of income over expenditure from previous years and any resources set aside as general contingency against adverse future events

4.1.3. Financial Resilience Reserve (FRR)

- This is a reserve created in 2017/18 from the backdated application of a consistent Minimum Revenue Provision (MRP) policy of 2007/08
- The change in policy has created additional revenue costs. The Council plans to release some of this reserve in line with the Council Plan and Budget 2018+ to phase in the ability to meet the additional costs as shown in Table 1 below. The balance of this reserve is to provide contingency fund in case the Council faces financial difficulties in the future

Table C.1 Planned use of FRR to meet additional revenue costs

2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
£5.9m	£5.9m	£5.0m	£4.0m	£3.0m	£2.0m	£1.0m	Nil

4.1.4. Invest to Save Reserve

- To make funding available to assist in making changes to the way services are provided and ultimately reduce costs in the long term
- This reserve is held centrally and operated on an invest to save basis with the agreement that the usage of this fund will be repaid in the future through a planned repayment profile linked to specific savings proposals

4.2. Earmarked Reserves

4.2.1. Earmarked Reserves enable the Council to set aside sums to meet specific future liabilities. These include:

4.2.2. Capital Fund:

- This is a revenue reserve which has arisen from revenue contributions set aside to fund budgeted capital expenditure, Equal Pay settlements and associated costs in line with the Council's Capital Financing and Equal Pay funding claims

4.2.3. Insurance Reserve

- The Council self-insures against all but the most catastrophic business risks other than where insurance cover is a legal requirement. A budget is held to cover insurance losses in-year and the Insurance Reserve exists to act as a buffer should losses exceed budgeted expectations in any given financial year. The fund increases in those years where losses incurred do not exceed the budget

4.2.4. Highways PFI Reserve

- This reserve has been earmarked to support the Highways PFI Business Model

4.2.5. Other Earmarked Reserves

- There are some reserves which cover a wide range of services that have been set aside to support future years' service delivery. These include, for example, resources earmarked for special educational needs reform, a local innovations fund, highways initiatives, subvention for major events, replacement IT systems and repairs and maintenance for specific service chargeable buildings. These reserves are monitored at Directorate level and can only be used for a particular purpose
- During the annual review if it is determined earmarking is no longer necessary the reserves will be allocated to general reserves

4.2.6. The request to use these funds or contribute to reserves must be approved by Cabinet and the allocation of Earmarked Reserves will be made when services can demonstrate that the funding is required for that particular purpose.

4.3. Revenue Grant Related Reserves

4.3.1. These reserves relate to the unused element of grant support for which the conditions of the grant are expected to be met. The reserves will be used to meet future years' expenditure for the service for which the grant was awarded.

4.3.2. These are managed by the Directorates. The reserves will only be released following the Directorate requests being approved by the Section 151 Officer to use funding in line with grant conditions

4.3.3. The Council holds various Section 106 reserves which were contributed by private companies to improve the local community. The fund must be used for the specific scheme and within the agreed timescale. If funds are not used they need to be returned back to the contributors.

4.3.4. In addition the Council also received Highways PFI grant in advance of required payments. These funds are taken to reserves to be utilised in years when annual maintenance expenditure exceeds the annual government grant income, in line with the PFI model.

4.3.5. Ring Fenced Reserves

- Reserves that are required to be used for specific activities undertaken by the Council with little or no flexibility. These are mainly for schools or for the Housing Revenue Account and cannot be used to support general Council activity. These include:

4.3.6. Schools reserves

- The reserves are the net cumulative balances held by Council maintained schools. Under national school funding regulations, the schools are entitled to retain these balances for unexpected commitments and/or for planned school curriculum/infrastructure improvements and investment

4.3.7. Housing Revenue Account (HRA)

- The HRA is a statutory account, ring-fenced from the rest of Council funds, so that rents charged to tenants in respect of dwellings cannot be subsidised from the General Fund. Similarly, rents collected from HRA tenants cannot be used to subsidise the General Fund. The balances on the HRA reflect the accumulated surpluses of income over expenditure

4.3.8. HRA Major Repairs Reserve

- The Council is required by The Accounts and Audit Regulations 2015 to maintain the Major Repairs Reserve. The reserve controls an element of the capital resources required to be used on HRA assets or for capital financing purposes

4.4. Capital Reserves:

4.4.1. These are reserves that have been set aside to finance capital schemes and cannot be used to support revenue expenditure without the consent of the Secretary of State. These reserves comprise:

- Capital Receipts Reserve reflects the income received from the disposal of capital assets prior to being used to fund future capital expenditure or for the redemption of debt. Capital receipts cannot be used to fund revenue expenditure except where allowed by statute. The Council will allocate resources from the Capital Receipts Reserve in line with its priorities

- Capital Grants Unapplied reflects the unused element of capital grants or capital contributions awarded to the Council, for which the conditions of the grant support are expected to be met or for which there are no conditions. The reserve will be used to meet future years' capital expenditure in a way which best fits with the Council's priorities

4.5. Borrowing

- 4.5.1. The Council will also face temporary large costs for which ongoing savings are not required, for example, pension fund strain costs. In these instances it is prudent to borrow temporarily from reserves and identify smaller ongoing savings from which to repay the reserves. However, this will only be agreed if there is a clear plan for how repayment can be made.
- 4.5.2. Temporary borrowing can be made from general reserves, earmarked reserves, schools reserves and grant related reserves.
- 4.5.3. Borrowing is approved by the Council as part of the budget. However amendments can be approved by Cabinet in year.

5. Reserves Approval

- 5.1. Table 2 below shows the level of approval required to use or contribute to usable reserves

Table C.2 Level of approval required for requested use of or contribution to reserves

Type of Reserves	Level of Approval Required
General Reserves and Balances	Cabinet*
Earmarked Reserves	Cabinet*
Revenue and Capital Grant Related Reserves	Section 151 Officer
Other Earmarked Reserve-Ring Fenced	Section 151 Officer
Capital Receipts Reserves**	Cabinet*

* Unless previously approved by Full Council as part of approval of the budget

** Approval required for contribution from reserves only

- 5.2. There may be end of the year adjustments to reserves required by Audit.

6. Governance and Review

- 6.1. The Council recognises the need to hold and maintain adequate reserves that meet the needs of the organisation. However, there is an opportunity cost as a result of the Council allocating resources away from other potential uses. It

is therefore, critical for the Section 151 Officer to regularly review the purpose and level of reserves.

- 6.2. All anticipated use of reserves should be understood and recognised as part of the budget setting process and agreed when Council approves the budget.
- 6.3. Any identified use of, or contribution to, reserves after the budget has been set should be approved by Cabinet or the Section 151 Officer in the case of grant reserves, prior to the budget being changed. Uses should be for specific purposes for which reserves have been set aside and not to address savings non-delivery or budget pressures. Contributions to reserves should be for specific costs expected to be incurred in the future.
- 6.4. The reserves position is reported monthly as part of the revenue monitoring process. The planned usage of reserves is also included as part of the budget setting process. In addition the level and use of reserves is reported and reviewed during the closedown process.
- 6.5. The reserves policy will be reviewed annually as part of the budget setting process.

APPENDIX D: BUDGET PRESSURES

Ref	Description	Type of Pressure	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
FINANCE & GOVERNANCE						
F01	Reduction in historic Business Transformation Costs and Repayments	Existing	(0.196)	(0.336)	(0.363)	(0.539)
F02	Non delivery of saving SS002 Corporate Procurement Services	Undelivered Savings	0.300	0.163	0.083	0.083
F03	Invest to Save costs and planned repayments for implementation of new HR & Finance system Links to saving FG101A 19+	New	7.551	3.709	(2.430)	(2.570)
F04	Use of Invest to Save to further develop the Transport saving Links to saving CC105 19+	New	0.060	(0.020)	(0.040)	0.000
F05	Removal of Acivico profit share target	New	0.800	0.800	0.800	0.800
F06	Cessation of Business Rates Pool	New	0.507	0.507	0.507	0.507
Total Finance & Governance Pressures			9.022	4.823	(1.443)	(1.719)
HUMAN RESOURCES						
H01	Job Evaluation Team	New	0.453	0.453	0.000	0.000
H02	Use of Policy Contingency carry forward to fund Improvement Hub / Demand Management team	New	0.032	0.000	0.000	0.000
Total Human Resources Pressures			0.485	0.453	0.000	0.000
DIGITAL & CUSTOMER SERVICES						
D01	Reduction in support needed for Information and Communication Technology	Existing	(1.340)	(2.047)	(3.708)	(3.975)
D02	Fall out of corporate support to enable delivery of saving E20d.9 in Corporate Strategy	Existing	0.000	(0.039)	(0.039)	(0.039)
D03	Fall out of one-off repayment to a Directorate reserve	Existing	(1.000)	(1.000)	(1.000)	(1.000)
D04	Planned reduction in corporate support for the team supporting ICT & D plans	Existing	(0.390)	(1.426)	(1.993)	(1.993)
D05	ICT - Information Assurance Plan	New	0.300	0.220	0.220	0.220
D06	Use of earmarked reserves to fund Landing Team - rephasing	New	0.515	(0.515)	0.000	0.000
D07	Net additional cost to identify additional Business Rates income	New	0.684	0.145	(0.062)	(0.500)
Total Digital & Customer Services Pressures			(1.231)	(4.662)	(6.582)	(7.287)
NEIGHBOURHOODS						
N01	Sports & Leisure Service - Planned fall out of temporary corporate support	Existing	(0.760)	(1.135)	(1.217)	(1.245)
N02	Demography impacts on Waste Management services	Existing	0.500	0.500	0.500	0.500
N03	Fall out of temporary corporate support for major sporting events	Existing	0.000	(0.200)	(0.200)	(0.200)
N04	Reduction in temporary corporate support to allow delivery of saving SN20 - Redesign Street Cleansing	Existing	(0.500)	(1.000)	(1.000)	(1.000)
N05	Waste Disposal Infrastructure	Existing	0.000	2.700	2.700	2.700
N06	Wholesale Markets Business Case	Existing	0.484	0.195	0.198	0.068

Ref	Description	Type of Pressure	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
N07	Fall out of one-off support for Green Waste to cover a reduction in income expected as a result of discounts offered in 2018/19	Existing	(0.662)	(0.662)	(0.662)	(0.662)
N08	Fall out of one-off support for Moseley Road Baths - running expenses	Existing	(0.100)	(0.100)	(0.100)	(0.100)
N09	Fall out of one-off funding to address non-highways fly posting and fly tipping	Existing	(0.155)	(0.155)	(0.155)	(0.155)
N10	Wholesale Markets - residual costs in relation to the former wholesale market site in Smithfield	New	0.100	0.100	0.100	0.100
N11	Waste - Recycle paper prices - reduction in paper recycling income	New	1.200	1.200	1.200	1.200
N12	Reinstate Major Events budget	New	0.500	0.550	0.950	0.750
N13	Rebasing the budget of the refuse collection service to reflect the costs set out in the Memorandum of Understanding	New	2.519	2.519	2.519	2.519
Total Neighbourhoods Pressures			3.126	4.512	4.833	4.475
INCLUSIVE GROWTH						
G01	Fallout of corporate support due to the delay in the implementation of SN35 - Expansion of City Centre On-Street Parking	Existing	(0.116)	(0.116)	(0.116)	(0.116)
G02	Reduction in corporate support for Young Active Travel	Existing	(0.100)	(0.100)	(0.100)	(0.100)
G03	Wholesale Markets Business Case	Existing	(0.508)	(0.508)	(0.508)	(0.508)
G04	Reprofile of MYR4/HN11/SN40 InReach Housing Programme	Undelivered savings	0.998	0.172	(0.507)	(1.153)
G05	Rephasing implementation of CC26 16+ Council Administrative Buildings saving	Undelivered savings	2.134	1.844	1.586	(0.800)
G06	Loss of property income following sale of Innovation Birmingham Ltd	New	0.000	0.000	0.176	0.176
G07	Reduction in income at Council Administrative Buildings	New	0.260	0.260	0.260	0.260
G08	Facilities Management - security & curatorial services across the Council	New	0.300	0.300	0.300	0.300
G09	Use of Invest to Save budget to fund specialist advice to help deliver EC103b Operational Hubs Links to saving EC103B 19+	New	0.200	0.200	0.175	0.000
Total Inclusive Growth Pressures			3.168	2.052	1.266	(1.941)
EDUCATION & SKILLS						
E01	Community Libraries - Self Service: fallout of time-limited funding	Existing	0.000	0.000	0.000	(0.174)
E02	Non delivery of saving CH4 17+/MIA 3 16+ Education Travel	Undelivered savings	1.300	1.300	1.300	1.300
E03	Travel Assist - funding structural budget deficit	New	2.200	2.200	2.200	2.200
E04	Special Educational Needs Assessment and Review funding shortfall from reduction in Government grant	New	0.625	0.250	0.250	0.250

Ref	Description	Type of Pressure	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
E05	Support for Birmingham Youths to become members of UK Youth Parliament	New	0.046	0.046	0.046	0.046
Total Education & Skills Pressures			4.171	3.796	3.796	3.622
ADULT SOCIAL CARE						
A01	Business Charter for Social Responsibility/Care Wage	Existing	2.785	2.785	2.785	2.785
A02	Reduction in 2018/19 use of Earmarked Reserves	Existing	7.300	9.300	9.300	9.300
A03	Reduction in Pooled funding with the NHS to improve joint working and deliver financial benefits for the NHS & BCC.	Existing	(8.128)	(8.128)	(8.128)	(8.128)
A04	Reduction in savings non-delivery HW1 - Supporting People	Existing	(1.898)	(1.898)	(1.898)	(1.898)
A05	Reduction in savings non-delivery HW10/MYR6 - Adult Social Care High Cost Provision	Existing	(0.730)	(0.730)	(0.730)	(0.730)
A06	Reduction in savings non-delivery HW5 - Better Care at Home	Existing	(0.420)	(0.420)	(0.420)	(0.420)
A07	Reduction in savings non-delivery HW9 - Residential Care	Existing	(0.188)	(0.188)	(0.188)	(0.188)
A08	Reduction in savings non-delivery MYR1 - Integrated Community Social Work	Existing	(0.480)	(4.500)	(4.500)	(4.500)
A09	Cyclical maintenance contribution switched from directorate to corporate contribution to reserves	New	(0.550)	(0.550)	(0.550)	(0.550)
Total Adult Social Care Pressures			(2.309)	(4.329)	(4.329)	(4.329)
CORPORATE						
C01	Highways Infrastructure Maintenance	Existing	0.250	0.500	0.750	1.000
C02	National Living Wage	Existing	0.264	0.264	0.264	0.264
C03	Reduction in General Policy Contingency	Existing	(0.500)	(0.500)	(0.500)	(0.500)
C04	Apprenticeship Levy	Existing	0.239	0.253	0.277	0.306
C05	Pension Fund Costs	Existing	1.187	8.637	9.347	10.127
C06	Fall out of Carbon Reduction Commitment Costs	Existing	(1.056)	(1.056)	(1.056)	(1.056)
C07	Change in Revenue Cost of Redundancy	Existing	0.000	0.000	1.250	0.000
C08	Fall out of Future Council Improvement Funding	Existing	(0.682)	(0.682)	(0.682)	(0.682)
C09	Adult Social Care Packages - Demography	Existing	8.500	17.000	25.500	34.000
C10	Council House - Essential Repairs	New	0.200	0.300	0.500	1.000
C11	Winter social care pressures funded by grant	New	5.600	0.000	0.000	0.000
C12	Contribution to CWG Organising Committee	New	2.000	5.500	19.754	10.000
C13	Arts endowments	New	2.000	0.000	0.000	0.000
C14	Creation of Invest to Save Fund	New	3.172	0.000	0.000	0.000
Total Corporate Pressures			21.174	30.216	55.404	54.459
Total budget pressures			37.606	36.861	52.945	47.280

APPENDIX E: SAVINGS PROPOSALS

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
FINANCE & GOVERNANCE					
CC23 16+ Reduction in costs relating to the SAP investment plan Reduction in debt repayment	Existing	(0.070)	(0.120)	(0.120)	(0.120)
CC001 18+ Corporate Structure Savings * Additional savings identified from the restructure of senior management.	Existing	(0.009)	(0.009)	(0.009)	(0.009)
CC002 18+ Efficiency Target* Services will adopt a range of efficiency measures in order to deliver services at a reduced cost.	Existing	(0.291)	(0.291)	(0.291)	(0.291)
CY003 18+ Cityserve The Council is: <ul style="list-style-type: none"> Expanding the education catering business beyond Birmingham borders, as well as working up a trading model (Cityserve select) that supports clients who choose to provide school meals 'in-house'. Stopping caretaking business and the cleaning business. 	Existing	(0.187)	(0.387)	(0.387)	(0.387)
FG001 18+ / FG002 18+ / FG004 18+ / CC23 16+ / E23 16+ City Finance This represents the final stage of restructuring the finance function	Existing	(0.163)	(0.253)	(0.393)	(0.393)
FG010 18+ Legal & Governance There are three key elements to this saving: <ul style="list-style-type: none"> Increase efficiency, streamline process and conduct lean reviews to eliminate waste; Refocus on matters of highest risk and strategic importance; and Realign work to focus on core services which will require managers to be more self-sufficient and avoid calling on Legal services for low risk work. 	Existing	(0.293)	(0.293)	(0.293)	(0.293)
WOC1 Allocation of workforce savings * These are further savings arising from amending the terms and conditions of our employees to reduce the costs of employment whilst ensuring that there remains a core offer that is fair, legally compliant and aligned to our Birmingham Living Wage City commitment. This was after consulting with staff and Trades Unions. There are changes that impact on pay and the saving also relates to a fall out of a one-off consolidated payment in 2017/18.	Existing	(0.193)	(0.389)	(0.389)	(0.389)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>Corporate Funding of Pension Fund Strain</p> <p>Fallout of time-limited savings as a result of pension fund strain being funded corporately.</p>	Existing	0.043	0.106	0.106	0.106
<p>CC103 19+ Review of Non-Essential Expenditure</p> <p>The Chief Executive and Chief Finance officer issued a freeze on non-essential expenditure across all directorates and types of expenditure in October 2018 until further notice. This will require officers to review and challenge the need to incur expenditure on supplies and services, proactively finding lower cost solutions, increase the sharing of resources between directorates and to stop or reduce expenditure that can reasonably be avoided in the normal course of business. These changes will be monitored through a Consolidation Board alongside other workstreams. These management actions will contribute towards managing expenditure within budget in 2018/19 and will also enable budget reductions to be applied in 2019/20.</p> <p>As an initial step, a review of historically underspent budgets has been carried out. Budget savings have been identified across all directorates in relation to expenditure such as external accommodation hire, travel, newspapers and periodicals, furniture and equipment, printing and photocopying, consultancy and professional fees, hospitality and other miscellaneous budgets.</p> <p>In addition, through the centralisation of stationery budgets there will be better visibility and coordination of purchases.</p>	New	(0.068)	(0.068)	(0.068)	(0.068)
<p>CC104 19+ Commercialisation</p> <p>To support the ongoing sustainability of a range of services an approach has been undertaken across the organisation to review fees and charges to ensure that they recover the total cost of delivery or where appropriate return a surplus to be reinvest in the ongoing delivery of other services.</p> <p>A range of information has been utilised to support the review, including cost information, charges in similar local councils and also charges levied by other providers (e.g. private businesses) to deliver a consistent approach to charging across the organisation.</p>	New	(0.146)	(0.146)	(0.146)	(0.146)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CC106 19+ Contract Management Savings Opportunities</p> <p>The proposals are to target savings through</p> <ul style="list-style-type: none"> • Re-tendering of the current Constructing West Midlands Frameworks Lots 1-4 and the Acivico building fabric and maintenance framework. – Saving predicated on Cabinet decision on the future of services provided by Acivico being made at December Cabinet as report will enable the procurement process to commence. Saving will not be realised until Q3 2019/20. • Contract extensions or in flight tenders. • Negotiated reduction in certain management fees – Saving predicated on further financial validation, Service area leads agreement to proceed and successful negotiations. • A reduction in the inspection frequency of lifts within corporate buildings whilst maintaining health and safety compliance – Saving predicated on Property Services validation and agreement to proceeding with this initiative. 	New	(0.300)	(0.400)	(0.400)	(0.400)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>FG101A 19+ Delivery of further efficiency savings following the implementation of a new Finance and HR IT system.</p> <p>The council is in the process of purchasing a new Finance and Human Resources IT system and a programme of change in financial management and administration processes which aim to deliver improved performance across the organisation and operational efficiencies within the finance function. This will lead to a reduction in the number of employees required to deliver the finance service.</p> <p>The new system will simplify and streamline business processes and working practices that meet business requirements for financial management, administration and supporting decision making.</p> <p>It is envisaged that it will be possible to increase automation of tasks, introduce easy to use processes and improve self-service opportunities, which are accessible for use by non-finance experts and require less specialist systems support. This will enable operational efficiencies in transaction processing to be achieved across the Corporate and Service/Directorate Finance teams and Financial Transaction Processing services. The business change project will also deliver improvements to the way the Council pays its suppliers and how the Council obtains payment for services that it provides to fee-paying customers.</p> <p>Links to pressure F03</p>	New	0.000	(0.100)	(0.850)	(1.700)
<p>FG102 19+ Reduced External Legal Spend</p> <p>Legal Services propose to reduce the total amount of money spent by Birmingham City Council on Barristers Fees and External Law Firms, by changing the way that both current services are provided. This proposal is to deliver a phased reduction in these costs without reducing the quality of outcome delivered.</p>	New	(0.200)	(0.300)	(0.400)	(0.500)
<p>FG103 19+ Legal & Governance Management Review</p> <p>A management review will be conducted and either the number of overall posts will be reduced, or the total staffing expenditure budget will be reduced to reflect this saving.</p>	New	(0.120)	(0.120)	(0.120)	(0.120)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
SS103A 19+ Commissioning and Procurement Staff Reductions Deletion of 2 posts	New	(0.135)	(0.135)	(0.135)	(0.135)
New proposals		(0.969)	(1.269)	(2.119)	(3.069)
Existing plans		(1.163)	(1.636)	(1.776)	(1.776)
Total savings		(2.132)	(2.905)	(3.895)	(4.845)
HUMAN RESOURCES					
CC002 18+ Efficiency Target* Services will adopt a range of efficiency measures in order to deliver services at a reduced cost.	Existing	(0.078)	(0.078)	(0.078)	(0.078)
WOC1 Allocation of workforce savings * These are further savings arising from amending the terms and conditions of our employees to reduce the costs of employment whilst ensuring that there remains a core offer that is fair, legally compliant and aligned to our Birmingham Living Wage City commitment. This was after consulting with staff and Trades Unions. There are changes that impact on pay and the saving also relates to a fall out of a one-off consolidated payment in 2017/18.	Existing	(0.079)	(0.153)	(0.153)	(0.153)
Corporate Funding of Pension Fund Strain Fallout of time-limited savings as a result of pension fund strain being funded corporately.	Existing	0.145	0.145	0.145	0.145

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CC103 19+ Review of Non-Essential Expenditure</p> <p>The Chief Executive and Chief Finance officer issued a freeze on non-essential expenditure across all directorates and types of expenditure in October 2018 until further notice. This will require officers to review and challenge the need to incur expenditure on supplies and services, proactively finding lower cost solutions, increase the sharing of resources between directorates and to stop or reduce expenditure that can reasonably be avoided in the normal course of business. These changes will be monitored through a Consolidation Board alongside other workstreams. These management actions will contribute towards managing expenditure within budget in 2018/19 and will also enable budget reductions to be applied in 2019/20.</p> <p>As an initial step, a review of historically underspent budgets has been carried out. Budget savings have been identified across all directorates in relation to expenditure such as external accommodation hire, travel, newspapers and periodicals, furniture and equipment, printing and photocopying, consultancy and professional fees, hospitality and other miscellaneous budgets.</p> <p>In addition, through the centralisation of stationery budgets there will be better visibility and coordination of purchases.</p>	New	(0.079)	(0.079)	(0.079)	(0.079)
<p>HR102 19+ Cessation of repeat self-certification within DBS process</p> <p>Through reviewing the way we undertake checks of our staff, we have identified a part of the process which is unnecessary. We had been asking all staff who require a DBS check to make a declaration every 2 years to say they had not received a conviction etc. However our Code of Conduct clearly states that any employee must inform us immediately if they receive one. This is an unnecessary duplication and so by removing the 2 year declaration it will allow us to delete 2 posts from our structure without any impact.</p>	New	(0.040)	(0.040)	(0.040)	(0.040)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>HR103 19+ Withdrawal of unused funding support</p> <p>A very small amount of money was budgeted to support staff groups to engage with the design of HR policies and to provide feedback as to how some staff felt about working for the Council. Through reviewing the way we are spending our budget we have identified that we have not allocated this very small amount of money to any of our staff groups. As this has not been utilised to support any particular group's withdrawal of it will have no effect on individuals or groups of staff.</p>	New	(0.012)	(0.012)	(0.012)	(0.012)
<p>HR104 19+ Workforce E/Learning Partnership Approach</p> <p>As we provide statutory training to our staff along with other local authorities we are proposing to work collaboratively with a number of authorities in the Midlands, to design and deliver e-Learning packages that we can then share. At present each local authority is designing its own, yet the content of them does not vary as we all have to tell our staff similar messages. By collaborating, we can spend less time on designing individual versions. This will enable us to delete 0.5 FTE from our structure as we can reduce the amount of time spent on designing and delivering the materials used.</p>	New	(0.020)	(0.020)	(0.020)	(0.020)
<p>HR105 19+ Apprenticeship Levy – One provider of all training and administration</p> <p>To procure just one training provider for all apprenticeships that are paid for from the Apprenticeship Levy. The preferred training provider would be responsible for delivering any apprenticeship framework or standard of training for any job role, rather than procuring many providers as we do now. As “preferred providers” have to be able to deliver a large range of apprenticeships most are national organisations. This means that we may not see local training providers being employed to deliver training to our staff as our provider may not be local to Birmingham.</p> <p>By appointing just one provider, we can reduce the time spent liaising with different agencies. This means we can reduce the number of staff in the HR/OD team by 1 FTE part way through 2019/20 once we have procured a preferred provider. This will deliver a part year saving for 2019/20 and full year saving from 2020/21.</p>	New	(0.022)	(0.045)	(0.045)	(0.045)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>HR106 19+ HR Management Review</p> <p>To ensure we continuously improve we have been reviewing the way we work, the processes we undertake and the people involved in those processes. As we continue to review our working practices, we have a number of management posts that we feel we may be able to review as part of redesigning the way we deliver our services to our customers. This won't affect the services we offer but will simplify things for our own HR/OD team by combining the work of separate teams and roles and therefore reducing the number of managers we need.</p>	New	(0.329)	(0.329)	(0.329)	(0.329)
<p>HR107 19+ Post implementation of ERP system</p> <p>The council needs to replace the HR IT system that holds all of the data regarding its staff and the transactions concerning them. For instance staff appointments, pay, recording annual leave and time taken off sick, and all training provided. A decision to replace and improve this system was made by Cabinet.</p> <p>The replacement of this system will enable us to review the way our work and tasks are currently undertaken and to simplify them. This will mean that we will need fewer HR staff to do this activity.</p>	New	0.000	0.000	(0.237)	(0.237)
New proposals		(0.502)	(0.525)	(0.762)	(0.762)
Existing plans		(0.012)	(0.086)	(0.086)	(0.086)
Total savings		(0.514)	(0.611)	(0.848)	(0.848)
DIGITAL & CUSTOMER SERVICES					
<p>CC1 17+ / CC23 16+ / E23 16+ Implementation of ICT & D strategy to reduce spend on core IT infrastructure and development projects.</p> <p>Through the implementation of the Council's new Information Technology and Digital (ICT & D) strategy it is expecting to realise savings in a number of areas. These will be achieved through tighter control and governance of its IT projects, an increase in partnership working with external organisations and by strategic investment in technologies that deliver savings to the Council. In addition, there will be ongoing savings in respect of lower debt servicing costs due to a reduction in capital expenditure.</p>	Existing	(1.760)	(2.570)	(2.570)	(2.570)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CC13 16+ Targeted net improvement in the housing benefit subsidy</p> <p>Adjustment to reflect phased implementation of reclaiming Housing Benefit overpayments which were front-loaded in 2016/17.</p>	Existing	1.000	1.000	1.000	1.000
<p>CC3 17+ Bringing Revenues and Benefits service contract back in house</p> <p>The Council implemented a decision in November 2016 to bring its Revenues Service back in house. This is delivering efficiency savings to the Council and ensures that it meets deadlines and budget expectations around the collection of Council Tax and Business Rates. This is a fall out of time limited savings delivered in 2017/18.</p>	Existing	0.200	0.200	0.200	0.200
<p>CC5 17+ Surpluses expected to be generated on the Housing Benefit Subsidy grant</p> <p>The fallout of temporary surpluses resulting from the delayed introduction of Universal Credit.</p>	Existing	0.500	0.500	0.500	0.500
<p>CC001 18+ Corporate Structure Savings *</p> <p>Additional savings identified from the restructure of senior management.</p>	Existing	(0.144)	(0.144)	(0.144)	(0.144)
<p>CC002 18+ Efficiency Target*</p> <p>Services will adopt a range of efficiency measures in order to deliver services at a reduced cost.</p>	Existing	(0.120)	(0.120)	(0.120)	(0.120)
<p>SS008 18+ Customer Services Team</p> <p>This saving is being delivered through a reduction in support staff in Customer Services and supported by improved ways of working to protect the delivery of services to citizens. There will be improved online services to citizens through the implementation of a new online account that will allow people and businesses to access their personal information, request services or see information about the services they receive. This will improve the delivery of services via the website for citizens and will result in a reduction in telephone volumes without negatively impacting on citizens' experience.</p>	Existing	(0.285)	(0.373)	(0.647)	(0.647)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>WOC1 Allocation of workforce savings *</p> <p>These are further savings arising from amending the terms and conditions of our employees to reduce the costs of employment whilst ensuring that there remains a core offer that is fair, legally compliant and aligned to our Birmingham Living Wage City commitment. This was after consulting with staff and Trades Unions. There are changes that impact on pay and the saving also relates to a fall out of a one-off consolidated payment in 2017/18.</p>	Existing	(0.139)	(0.239)	(0.239)	(0.239)
<p>CC101 19+ Consolidation of satellite contact centres</p> <p>Proposal for two contact centres that currently sit within directorates will be incorporated into the corporate contact centre. The services that have been identified are:</p> <ul style="list-style-type: none"> • Adults ACAP • Tenancy & Estate Management (TEM) 	New	(0.100)	(0.100)	(0.100)	(0.100)
<p>CC102A 19+ Consolidation Programme – Staff Consolidation</p> <p>This proposal seeks to fully consolidate support services resulting in the identification of 876 full time equivalent posts being in scope to transfer from decentralised teams into a centralised function.</p> <p>It is envisaged that a wholly consolidated model will generate efficiencies by reducing duplication, line management layers and by ensuring that there is consistency of job roles, improved work allocation and maximisation of resources.</p>	New	(0.649)	(0.649)	(0.649)	(0.649)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CC103 19+ Review of Non-Essential Expenditure</p> <p>The Chief Executive and Chief Finance officer issued a freeze on non-essential expenditure across all directorates and types of expenditure in October 2018 until further notice. This will require officers to review and challenge the need to incur expenditure on supplies and services, proactively finding lower cost solutions, increase the sharing of resources between directorates and to stop or reduce expenditure that can reasonably be avoided in the normal course of business. These changes will be monitored through a Consolidation Board alongside other workstreams. These management actions will contribute towards managing expenditure within budget in 2018/19 and will also enable budget reductions to be applied in 2019/20.</p> <p>As an initial step, a review of historically underspent budgets has been carried out. Budget savings have been identified across all directorates in relation to expenditure such as external accommodation hire, travel, newspapers and periodicals, furniture and equipment, printing and photocopying, consultancy and professional fees, hospitality and other miscellaneous budgets.</p> <p>In addition, through the centralisation of stationery budgets there will be better visibility and coordination of purchases.</p>	New	(0.414)	(0.414)	(0.414)	(0.414)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>SS101A1 19+ Reduction in Translation Costs at the Corporate Contact Centre</p> <p>The corporate contact centre has for a number of years used the services of an external translation company to manage their translation services. When an advisor is currently on a call where the citizen is struggling to communicate in English, there is a process where we dial an interpreter to join the call (this is managed via dial-in codes for each service/language). The most popular languages that we have required translation assistance for are as follows: Urdu, Bengali, Somali, Arabic, Romanian, Punjabi, Farsi (Persian), Tigrinya, Polish, Czech</p> <p>We are proposing to use staff from the Contact Centre – replacing the current external service – for callers struggling to communicate in English. We have staff who can speak the following languages: Hindi, Urdu, Punjabi, Bengali, French, Arabic, Portuguese, Polish, Spanish, Romanian, Mirpuri, Dutch, Somali, Swahili, Telugu and Tamil. This would result in a better service for citizens as the translation process can extend the length of the call and using internal translators would provide a more seamless experience.</p>	New	(0.040)	(0.040)	(0.040)	(0.040)
<p>SS101B 19+ Channel Shift Call Reduction</p> <p>With the implementation of the Council's new online account (BRUM), by the end of 2018/19 it will be easier for citizens to transact with us online without the need for a telephone call for most aspects of the following services Parks, Anti-Social Behaviour, Highways, Environmental Health, Waste Management, Council Tax, Housing Repairs and Housing Benefits services.</p> <p>This business case is proposing a radical move to support greater channel shift by introducing a signposting process. We would signpost all citizens to the website, except those identified as vulnerable who call the contact centre.</p>	New	(0.510)	(0.510)	(0.510)	(0.510)
<p>SS101C2 19+ Cease Handling Garden Waste Payment Calls at Corporate Contact Centre</p> <p>It is proposed that from January 2020 that where citizens do not meet the vulnerability criteria, we only allow for the renewal of garden waste collections online, which will be supported by the introduction of automated renewals in the Brum Accounts. We would advise citizens about this change when we communicate with them about their renewal and also have messaging on our telephone lines. In January as part of the new Brum account functionality Citizens can also set this up as a recurring annual payment from their card.</p>	New	(0.040)	(0.040)	(0.040)	(0.040)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
SS105 19+ Customer Services Team Redesign With the implementation of the Council's new online account (BRUM), by the end of 2018/19 it will be easier for citizens to transact with us online without the need for a telephone call. This will therefore see a reduction in operational roles. A number of support roles within customer services have also been reviewed and it has been identified that reductions can be achieved without compromising the services delivered by the customer services team.	New	(0.218)	(0.218)	(0.218)	(0.218)
New proposals		(1.971)	(1.971)	(1.971)	(1.971)
Existing plans		(0.748)	(1.746)	(2.020)	(2.020)
Total savings		(2.719)	(3.717)	(3.991)	(3.991)
ASSISTANT CHIEF EXECUTIVE					
WOC1 Allocation of workforce savings * These are further savings arising from amending the terms and conditions of our employees to reduce the costs of employment whilst ensuring that there remains a core offer that is fair, legally compliant and aligned to our Birmingham Living Wage City commitment. This was after consulting with staff and Trades Unions. There are changes that impact on pay and the saving also relates to a fall out of a one-off consolidated payment in 2017/18.	Existing	(0.177)	(0.297)	(0.297)	(0.297)
Corporate Funding of Pension Fund Strain Fallout of time-limited savings as a result of pension fund strain being funded corporately.	Existing	0.109	0.109	0.109	0.109
CC002 18+ Efficiency Target* Services will adopt a range of efficiency measures in order to deliver services at a reduced cost.	Existing	(0.134)	(0.134)	(0.134)	(0.134)
CE101 19+ Non-staffing Saving and Income Generation <ul style="list-style-type: none"> Reducing the non-staffing budgets by 20% in the Leader's Office and Policy Team. These budgets support the Council's membership of external bodies (e.g. the Local Government Association, Core Cities, Euro-cities and West Midlands Employers) and also provide support to events and community projects through the Leader's Development Fund. Generating income from the West Midlands Combined Authority by sharing staffing more effectively between the two organisations. 	New	(0.170)	(0.170)	(0.170)	(0.170)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CE102 19+ Management Review Grades 5-7</p> <p>Savings have already been made against staffing budgets in advance of 2019-20 to meet planned saving targets of £52k building to £79k as outlined in the Long-term Financial Plan. These have been achieved by the removal of a Head of Policy role and reduced support in the Leader's Office and Cabinet Office. A significant proportion of the existing budget is ear-marked as part of separate, council-wide reviews of business support and senior officer restructure, so is not included in the proposed changes below so as to avoid duplication. It is now proposed to make further savings by reviewing management structures following the integration of new functions into the directorate prior to the start of 2019-20.</p>	New	(0.088)	(0.088)	(0.088)	(0.088)
<p>PL113 19+ Phased Reduction of Salaried Staffing at the Hall of Memory to be Replaced with Appropriate Voluntary Staffing</p> <p>To partner with suitable third sector organisation(s) to provide appropriate voluntary staffing to the Hall of Memory Mon-Sat 10am-4pm. This will enable savings to be achieved of one FTE GR3 post. It is intended this will be achieved over a phased period of time to ensure appropriate staffing levels can be achieved and maintained by the third sector partner(s). By aligning to suitable third sector organisation(s) this will ensure the Hall of Memory can remain open to the public and will provide volunteer staff who have the with appropriate level of knowledge and respect for the subject matter.</p>	New	(0.021)	(0.029)	(0.029)	(0.029)
<p>SS104 19+ Reduction in Spend on Communications</p> <p>That the marketing budget is reduced by £150k to £100k, with any marketing/print/advertising etc requirements (as outlined above) paid for by the service area that requires the support.</p> <p>Implementation of a new communications structure that will create a communications function to support the Council with delivery on priorities which will deliver a further £100k.</p>	New	(0.250)	(0.250)	(0.250)	(0.250)
New proposals		(0.529)	(0.537)	(0.537)	(0.537)
Existing plans		(0.202)	(0.322)	(0.322)	(0.322)
Total savings		(0.731)	(0.859)	(0.859)	(0.859)
NEIGHBOURHOODS					
<p>HN1 17+ Parks - reduction to service</p> <p>Fallout of time-limited savings as a result of pension fund strain being funded corporately.</p>	Existing	0.127	0.127	0.127	0.127

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>HN3 17+ Waste Management Contracts - Charging for traders to access Household Recycling Centres</p> <p>A reduction in the income that is expected from charges to businesses for the disposal of commercial waste at the Household Recycling Centres.</p>	Existing	0.225	0.225	0.225	0.225
<p>HN6 17+ Increase commercial income on activities</p> <p>The generation of additional income by improving our services and the use of assets relating to Markets.</p>	Existing	(0.100)	(0.100)	(0.100)	(0.100)
<p>HN7 17+ Asset and property disposal programme</p> <p>The disposal of surplus and under-utilised assets in the delivery of services - estimated at £8m per year or 0.3% of the total assets of the Directorate. This will include operational administration buildings and service outlets e.g. community centres, neighbourhood offices. The receipts will be used to repay debt and this will result in savings on our interest and debt repayments.</p>	Existing	(0.400)	(0.400)	(0.400)	(0.400)
<p>HW2 17+ Review future options for wellbeing centres and community hubs</p> <p>The saving will be delivered by the transfer of the delivery of health and wellbeing services to a newly established Community Benefit Society (approved by Cabinet in December 2017).</p>	Existing	(0.600)	(0.600)	(0.600)	(0.600)
<p>SN21 16+ Removal of Universal Superloos</p> <p>The saving will be achieved from the gradual expiry of the current external contracts for the provision of public conveniences in some specific locations in the city.</p>	Existing	0.000	0.000	(0.134)	(0.389)
<p>SN26 16+ Discontinue Non Framework Contract at Health and Wellbeing Centres</p> <p>The continued implementation of the Sport and Physical Strategy that was approved by Cabinet in December 2013 (this focussed on the provision of a number of Community Leisure Centres through an external provider and the discontinuation of services in underutilised and costly local community leisure centres).</p>	Existing	(0.190)	(0.190)	(0.190)	(0.190)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>SN45 16+ Disposal of unwanted/underutilised parks land (8 acres per year)</p> <p>The disposal of a limited number of underutilised open spaces (estimated at 8 acres per year or equivalent to 0.1% of the total parks and open spaces) . This land will be transferred to our Housing service for them to build more new homes (subject to governance and statutory processes).</p>	Existing	(0.200)	(0.200)	(0.200)	(0.200)
<p>SN6 16+ Waste Disposal Contract</p> <p>The savings that are estimated from the new Waste Disposal Contract from January 2019, and are also part of the development of the new Waste Strategy for the Council. The savings are mainly a result from the end of the mortgage payments on the existing incinerator.</p>	Existing	(6.250)	(6.250)	(6.250)	(6.250)
<p>CC001 18+ Corporate Structure Savings *</p> <p>Additional savings identified from the restructure of senior management.</p>	Existing	(0.096)	(0.096)	(0.096)	(0.096)
<p>CC002 18+ Efficiency Target*</p> <p>Services will adopt a range of efficiency measures in order to deliver services at a reduced cost.</p>	Existing	(1.248)	(1.248)	(1.248)	(1.248)
<p>PL003 18+ Parks and Nature Conservation</p> <p>It is proposed to accelerate the commercialisation of parks and look at a wide range of options which could include (for example) land trains, adventure golf, high ropes, and car parking charges.</p>	Existing	(0.200)	(0.200)	(0.200)	(0.200)
<p>PL014 18+ Waste Prevention</p> <p>The waste prevention team and the redesigned waste prevention service are being combined within waste management. This allows for a whole place approach and delivers economies of scale by moving the current waste prevention team back into Waste Management to work alongside the new roles. This enables taskforce activity alongside the daily work/activity of the Waste and Recycling Collection Officers in the new role to maximise the outcomes required, increase recycling and reduce domestic waste.</p>	Existing	(0.055)	(0.055)	(0.055)	(0.055)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL016E 18+ Neighbourhoods & Communities - Community</p> <p>The full year impact of the closure and disposal of Newtown Community Centre and retain the revenue saving arising from the generation of the capital receipt; transfer responsibility for the Friends Institute Trust for which BCC is Custodian Trustee to a third party; and let Coronation Play Centre to an external not-for profit organisation.</p>	Existing	(0.080)	(0.080)	(0.080)	(0.055)
<p>PL021 18+ Housing Options</p> <p>Stopping using Bed & Breakfasts to provide Temporary Accommodation for households. Instead, use other (less costly) options, such as properties leased from private sector landlords and Council-owned properties.</p>	Existing	0.000	(0.500)	(1.009)	(1.009)
<p>PL022 18+ Shelforce</p> <p>Shelforce manufacture PVCu windows and doors, and supply these to the construction companies contracted to replace windows and doors for the Council's social housing. Our employment model is to support people furthest from the employment market while having a totally integrated work force, and currently 75% of Shelforce's workforce have disabilities.</p> <p>The proposal is to increase its trading activity to generate more income. This includes providing windows and doors to existing social housing and new housing built through the Birmingham Municipal Housing Trust.</p>	Existing	(0.050)	(0.050)	(0.050)	(0.050)
<p>WOC1 Allocation of workforce savings *</p> <p>These are further savings arising from amending the terms and conditions of our employees to reduce the costs of employment whilst ensuring that there remains a core offer that is fair, legally compliant and aligned to our Birmingham Living Wage City commitment. This was after consulting with staff and Trades Unions. There are changes that impact on pay and the saving also relates to a fall out of a one-off consolidated payment in 2017/18.</p>	Existing	(0.885)	(1.455)	(1.455)	(1.455)
<p>Corporate Funding of Pension Fund Strain</p> <p>Fallout of time-limited savings as a result of pension fund strain being funded corporately.</p>	Existing	0.311	0.343	0.343	0.343

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CC103 19+ Review of Non-Essential Expenditure</p> <p>The Chief Executive and Chief Finance officer issued a freeze on non-essential expenditure across all directorates and types of expenditure in October 2018 until further notice. This will require officers to review and challenge the need to incur expenditure on supplies and services, proactively finding lower cost solutions, increase the sharing of resources between directorates and to stop or reduce expenditure that can reasonably be avoided in the normal course of business. These changes will be monitored through a Consolidation Board alongside other workstreams. These management actions will contribute towards managing expenditure within budget in 2018/19 and will also enable budget reductions to be applied in 2019/20.</p> <p>As an initial step, a review of historically underspent budgets has been carried out. Budget savings have been identified across all directorates in relation to expenditure such as external accommodation hire, travel, newspapers and periodicals, furniture and equipment, printing and photocopying, consultancy and professional fees, hospitality and other miscellaneous budgets.</p> <p>In addition, through the centralisation of stationery budgets there will be better visibility and coordination of purchases.</p>	New	(0.361)	(0.361)	(0.361)	(0.361)
<p>CC104 19+ Commercialisation</p> <p>To support the ongoing sustainability of a range of services an approach has been undertaken across the organisation to review fees and charges to ensure that they recover the total cost of delivery or where appropriate return a surplus to be reinvest in the ongoing delivery of other services.</p> <p>A range of information has been utilised to support the review, including cost information, charges in similar local councils and also charges levied by other providers (e.g. private businesses) to deliver a consistent approach to charging across the organisation.</p>	New	(0.310)	(0.310)	(0.310)	(0.310)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL101 19+ Income Generation for Birmingham Register Office</p> <p>The changes consist of the introduction of the following new optional income generating services:</p> <ul style="list-style-type: none"> • a range of wedding photography packages • a range of wedding floral packages • a change of name service • room hire • additional wedding extras to facilitate bespoke ceremonies • Sale of increased range of keepsakes and range of additional products for ceremonies • A review of non-statutory fees and charges 	New	(0.040)	(0.040)	(0.040)	(0.040)
<p>PL104 19+ Transfer Management of Community Centres to Third Parties</p> <p>Some Community Centres are directly managed by the Council but most are already let (leased) to third sector and community groups who operate them for the benefit of the local community. The proposal is that other similar organisations become responsible for the day-to-day operation of Centres through charitable or not-for-profit means.</p>	New	0.000	(0.030)	(0.030)	(0.030)
<p>PL111 19+ Trading Standards Funding Adjustment</p> <p>Trading Standards will utilise the proceeds of crime money (POCA) it has successfully secured from its criminal proceedings to contribute to funding 2 members of staff whose roles include the oversight and authorisation of criminal investigations into acquisitive crime such as fraud, rogue trading organised crime.</p>	New	(0.070)	(0.070)	(0.070)	(0.070)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL112 19+ Redesign of Birmingham BID Support</p> <p>To withdraw Business Improvement District support resulting in the reduction of one post (Business Improvement District Ambassador). The ongoing support and signposting to the mature, existing, bids will continue to be provided through existing staff within the directorate.</p> <p>Eleven of the twelve Business Improvement Districts are in their second or third five-year term of operation, so have a level of maturity that requires little operational support.</p> <p>There is also a cycle of BID renewal ballots that requires approval by the Cabinet Member. The report process is supported by governance monitoring and evaluating the business outcomes of each BID against their five-year action plan. It is proposed that this function is re-aligned to the Neighbourhoods and Communities team to create efficiencies.</p>	New	(0.055)	(0.055)	(0.055)	(0.055)
<p>PL114A 19+ Extend the Exclusive Rights of Burial (ERB)</p> <p>The Council currently offers Exclusive Rights of Burial (ERB) (the period of time for which the purchaser of a grave may continue to use that grave) based on a 75-year lease period. The Local Authorities Cemeteries Order 1977 states that a burial authority may grant Extended Right of Burial that must not exceed 100 years. We propose to offer people the choice to pay for a grave with the standard 75-year term or paying an additional fee for a 99-year term.</p>	New	(0.065)	(0.065)	(0.065)	(0.065)
<p>PL114B 19+ Introduction of Vaulted Graves at Witton Cemetery</p> <p>There is an option to build 20 vaulted graves with integral memorials at Witton Cemetery in an area which was previously used for greenhouses and the skip compound. The area would need to be cleared and regenerated in order to accept this scheme and the development would then be commissioned.</p> <p>Families would be able to choose this as an option and although the scheme would not increase the number of burials overall, it may increase income over and above earthen type graves due to the additional income generated from supplying the memorial (headstone) as an integral element of the grave.</p>	New	0.000	(0.087)	0.000	0.000

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL114C 19+ Increase Fee for Digital Burial Records</p> <p>In 2017 Bereavement Services completed a project to make its paper burial records available online. This is a service used by people to trace family graves or research family histories. The service went online in September 2017. A small fee of £5 was introduced at the time to test the market and the proposal is to increase the current cost to £20 per search to generate additional income of £15,000.</p>	New	(0.015)	(0.015)	(0.015)	(0.015)
<p>PL114D 19+ Sale of Polyainers and Certificates</p> <p>The option relates to Cremation services which are supplied by the Council to bereaved families. It is proposed to increase the core fee level which would now include the provision of containers for cremated remains, and a certificate for the collection of cremated remains. Approximately 65% of cremated remains are collected from the city's crematoria each year.</p>	New	(0.055)	(0.055)	(0.055)	(0.055)
<p>PL115 19+ Environmental Health - Waste Enforcement Unit</p> <p>The removal of flytipping will continue as at present with no diminution of service. This proposal relates to the re-prioritisation of the work of the waste enforcement unit to focus of cases where the likelihood of prosecution is high. Duty of care inspections (prevention) will continue but delivered by a wider range of staff that are able to carry out these duties. Training will be provided to relevant employees to support the work of the team which will include some staff having the authority to issue fixed penalty notices.</p>	New	(0.300)	(0.300)	(0.300)	(0.300)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL116 19+ Reduction in Arts Grants for One Third</p> <p>This proposal relates to a reduction in grant support to the major arts and cultural organisations and community programmes. The impacts on specific organisations will be considered following comprehensive impact assessments with individual organisations to ensure that their ability to become more self-sustaining is assessed.</p> <p>These include: CBSO, Ex Cathedra, Symphony Hall, Town Hall, and Birmingham Royal Ballet, Birmingham opera Company, Birmingham Repertory Theatre, Midlands Art Centre, Ikon Gallery, DanceXchange and Sampad.</p> <p>Community programmes include: Culture on your Doorstep, Black and Minority, Ethnic Arts Development and Neighbourhood Programmes.</p> <p>The level of reduction has been assessed against the sector's ability to adapt and continue to operate. It is also proposed to maintain the 2019/20 level of funding for a four-year period to provide some stability and enable organisations plan their future programmes.</p> <p>We will work with the different organisations to help them to become self-sustaining where possible with the potential for the creation of "endowment funds".</p>	New	(0.500)	(0.500)	(0.500)	(0.500)
<p>PL118 19+ 20% Reduction in Grant to the Active Wellbeing Society</p> <p>The proposal is to reduce the grant to The Active Wellbeing Society over three years from 2020/21 by 20%. The deferred implementation provides time for TAWS to access other sources of funding to enable activity to continue and hopefully increase in the future. There is no impact on the Sport England grant which is due to conclude 31 March 2019.</p>	New	0.000	(0.108)	(0.216)	(0.324)
<p>PL120A 19+ Trade Waste Income Generation</p> <p>The intention is to increase the income and profitability of this service to support the waste management budget. This will be achieved by activities such as refining the marketing strategy, efficiencies from the use of new technologies and a plan to make the trade waste service a defined business unit.</p>	New	(0.150)	(0.350)	(0.350)	(0.350)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL121 19+ Ensure Full Recovery of Costs in Respect of the Illegal Money Lending Team and the Regional Investigations Team</p> <p>The Illegal Money Lending Team (IMLT) and Regional Investigations Team (RIT) teams are both hosted by Birmingham City Council and paid for by grants from Treasury and National Trading Standards for the benefit of people living in England in respect of IMLT and for people living in the wider West Midlands in respect of RIT. By hosting the teams Birmingham City Council incurs costs associated to employing the officers. Apart from salaries, which are fully recovered, these include things like accommodation, heating, lighting, management responsibility and the provision of professional services such as legal, accountancy and HR. The council applies a recharge to recover these costs from the respective grants to ensure that the Council is not subsidising these teams.</p> <p>We have reviewed the way that we calculate these recharges and propose to increase them to accurately reflect the true costs incurred by the Council in hosting the IMLT and RIT teams in the future.</p>	New	(0.050)	(0.050)	(0.050)	(0.050)
<p>PL123 19+ Housing, Private Rented Sector and Voids Redesign</p> <p>A whole service review to deliver the savings is intended to introduce a new operating model that merges the Housing Options, Private Rented Sector, Voids and Homelessness, including a review of Commissioning activities. The proposal will focus on reducing homelessness across the city through early intervention. By bringing connected activities closer together, a more efficient and effective service will require less staff to include a reduction of managerial roles. Changes are proposed to be phased in over time and this case will be delivered in conjunction with a whole redesign of the wider housing division and should be considered alongside the Housing Strategy Business Case.</p>	New	(0.400)	(0.800)	(0.800)	(0.800)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL124 19+ Strategic Housing Functions</p> <p>Birmingham City Council receives a number of grants/ funding from central government to improve services to those households facing homelessness. A key recommendation from the Ministry of Housing, Communities and Local Government was to integrate all funding streams into one directorate and managed through the housing service which will allow more efficient and effective decision making and commissioning to take place. This case will be delivered in conjunction with a whole redesign of the wider housing division and should be considered alongside the Housing Options, PRS and Voids.</p> <p>As functions are integrated closer together a new operating model will provide bring together robust data and intelligence to enable greater strategic oversight to drive effective commissioning. The proposal will see strategic planning and housing strategy also being integrated more closely. This includes:</p> <ul style="list-style-type: none"> • Allocations • Strategic Tenancy Policies • Nominations Policies <p>As we look to become more creative with bespoke solutions to peoples housing needs, greater control will be needed over how the HPG is used.</p> <p>It is proposed that associated funding streams are transferred to align the funding and resources around housing needs. These include:</p> <ul style="list-style-type: none"> • HRA budget of £0.144m • BCC Homeless Centres funding £0.471m • Homeless Prevention Grant funding of £1.100m • Discretionary Housing Payments of £4.800m 	New	(0.300)	(0.300)	(0.300)	(0.300)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL125 19+ Shelforce - Opportunities to Increase Profitability</p> <p>The proposal is to extend core business through existing repairs and maintenance contractors by utilising their business around the country. This will increase the demand for current products produced at Shelforce.</p> <p>There are also opportunities to increase income through developing a wider range of products produced e.g. kitchens and bathrooms by the company. This will be explored with existing repair and maintenance contractors with the possibility of expanding to other customers.</p> <p>The proposal to expand the business will require additional employees but this will increase the profitability of Shelforce. The current proposal to employ apprentices within the business has been put forward as an Invest to Save proposal.</p>	New	(0.050)	(0.050)	(0.050)	(0.050)
<p>PL126 19+ Review of Managerial Arrangements Across the Directorate</p> <p>The managerial review of Place takes into consideration the historical and future service reductions and aligns compatible services closer together. Proposals contribute to improved organisational effectiveness by maximising opportunities to work more closely on shared activities as well as flattening structures to place accountability and faster decision making closer to the customer.</p>	New	(0.500)	(1.000)	(1.000)	(1.000)
<p>PL127 19+ Bereavement Services Fees and Charges Review</p> <p>To review the charges for Bereavement Services (Cemeteries and Crematoria) and increase them in line with top quartile West Midlands authorities and other providers in the area. In addition to this introduce an additional charge for services during the timeslots which have the highest demand.</p>	New	(1.200)	(1.200)	(1.200)	(1.200)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL128 19+ Garden and Bulky Waste Fees and Charges Review</p> <p>To review the charges for the services and increase the cost of an annual subscription to garden waste to £50 pa (£48 if paid on line) and the collection charge for bulky waste to £35 per collection (£33 if paid on line). To continue to provide value for money it is proposed to increase the maximum number of Bulky Waste items collected from 6 to 10. It is also proposed to reduce the cost to the Council by changing the booking system to enable bulky waste collections to be scheduled in an efficient manner.</p> <p>It is also proposed to remove the sack collection option where there are alternative options as this is an inefficient way of collecting waste, significantly increasing disposal costs.</p>	New	(0.690)	(0.840)	(0.840)	(0.840)
<p>PL129 19+ Parks Fees and Charges Review</p> <p>To review and reduce the subsidy provided to sports pitch hire, by increasing charges and/or reducing the cost of maintenance and remove the non-commercial discounts for event space hire at the major parks in the city. Also review car parking charges and Cannon Hill Park and implement car parking charges across the major parks in the city (Sutton Park, Lickey Hills, Rectory Park, Victoria Common, and Edgbaston Reservoir).</p>	New	(0.180)	(0.180)	(0.180)	(0.180)
New proposals		(5.291)	(6.766)	(6.787)	(6.895)
Existing plans		(9.691)	(10.729)	(11.372)	(11.602)
Total savings		(14.982)	(17.495)	(18.159)	(18.497)
INCLUSIVE GROWTH					
<p>JS2 17+ Marketing Birmingham</p> <p>It is proposed to reduce the cost to the Council of the contract with the West Midlands Growth Company through broadening the income base to include contributions from other organisations. This represents a step-up in the saving included in the 2017+ Financial Plan.</p>	Existing	(0.300)	(0.300)	(0.300)	(0.300)
<p>JS4A 17+ Reduce West Midlands Combined Authority Transport Levy</p> <p>The contribution is revised annually to reflect Birmingham's share of the West midlands population.</p>	Existing	(0.007)	(0.006)	(0.006)	(0.006)
<p>PL32 16+ Highways Maintenance</p> <p>This represents a step-down in the saving included in the 2017+ Financial Plan.</p>	Existing	0.800	0.800	0.800	0.800

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>SN1 16+ Sharing of highways maintenance database with statutory undertakers</p> <p>We are introducing a permit system for organisations wanting to carry out street works, to improve the quality of information we have about current and planned work. This will improve the information available to us which will help us to plan works and manage potential traffic disruption. We will charge organisations in order to recover the cost of managing the permits, and this includes the cost of any staff which are required as a result of implementing and running the scheme.</p>	Existing	(0.050)	(0.050)	(0.050)	(0.050)
<p>SN9 16+ Introduce a GIS mapping system to enable more efficient reporting of street scene issues</p> <p>We propose to introduce a GIS mapping system to combine our data with geographic information and make it quicker and easier to report and identify faults and issues.</p>	Existing	0.000	(0.010)	(0.010)	(0.010)
<p>CC002 18+ Efficiency Target*</p> <p>Services will adopt a range of efficiency measures in order to deliver services at a reduced cost.</p>	Existing	(0.739)	(0.739)	(0.739)	(0.739)
<p>EC004 18+ Birmingham Property Services</p> <p>Manages the Council's operational property portfolio. This proposal is to reshape and reduce staff capacity by approximately 10%. This will mean reducing some areas of current activity - including the management of operational buildings and support the team provides in ensuring vacant possession of assets is obtained prior to disposal.</p>	Existing	(0.058)	(0.058)	(0.058)	(0.058)
<p>EC009 18+ West Midlands Growth Company</p> <p>The step-up in WMGC savings in 2019/20 will see a complete cessation of support for the visitor economy (i.e. tourism) and match-funding towards WMGC's Investing in the Greater Birmingham project (which is due to finish in March 2019), with the balance of funding aimed at inward investment activity and covering existing pension liabilities.</p>	Existing	(0.349)	(0.349)	(0.349)	(0.349)
<p>EC011 18+ Transportation & Connectivity</p> <p>We will class Traffic Management Approvals as a fundamental part of delivering the projects and as such we will include the associated costs within the overall project cost, subsequently funding them from capital as a part of the project implementation cost.</p>	Existing	(0.087)	(0.087)	(0.087)	(0.087)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>EC016 18+ Property Strategy</p> <p>The proposal is to provide additional income from the Council's commercial property portfolio.</p>	Existing	(0.500)	(1.000)	(1.000)	(1.000)
<p>WOC1 Allocation of workforce savings *</p> <p>These are further savings arising from amending the terms and conditions of our employees to reduce the costs of employment whilst ensuring that there remains a core offer that is fair, legally compliant and aligned to our Birmingham Living Wage City commitment. This was after consulting with staff and Trades Unions. There are changes that impact on pay and the saving also relates to a fall out of a one-off consolidated payment in 2017/18.</p>	Existing	(0.233)	(0.414)	(0.414)	(0.414)
<p>CC103 19+ Review of Non-Essential Expenditure</p> <p>The Chief Executive and Chief Finance officer issued a freeze on non-essential expenditure across all directorates and types of expenditure in October 2018 until further notice. This will require officers to review and challenge the need to incur expenditure on supplies and services, proactively finding lower cost solutions, increase the sharing of resources between directorates and to stop or reduce expenditure that can reasonably be avoided in the normal course of business. These changes will be monitored through a Consolidation Board alongside other workstreams. These management actions will contribute towards managing expenditure within budget in 2018/19 and will also enable budget reductions to be applied in 2019/20.</p> <p>As an initial step, a review of historically underspent budgets has been carried out. Budget savings have been identified across all directorates in relation to expenditure such as external accommodation hire, travel, newspapers and periodicals, furniture and equipment, printing and photocopying, consultancy and professional fees, hospitality and other miscellaneous budgets.</p> <p>In addition, through the centralisation of stationery budgets there will be better visibility and coordination of purchases.</p>	New	(0.285)	(0.285)	(0.285)	(0.285)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CC104 19+ Commercialisation</p> <p>To support the ongoing sustainability of a range of services an approach has been undertaken across the organisation to review fees and charges to ensure that they recover the total cost of delivery or where appropriate return a surplus to be reinvest in the ongoing delivery of other services.</p> <p>A range of information has been utilised to support the review, including cost information, charges in similar local councils and also charges levied by other providers (e.g. private businesses) to deliver a consistent approach to charging across the organisation.</p>	New	(0.105)	(0.105)	(0.105)	(0.105)
<p>CY109 19+ Management Review and Structure</p> <p>The changes will involve a review of management grades across the Directorate, in line with an organisational restructure, to ensure that the staffing resources of the Directorate are utilised in the most effective way.</p> <p>The review will be undertaken with the intention of delivering better outcomes for children, families and service partners across the city, whilst making the best possible use of the staffing budget available to the Directorate.</p>	New	(0.021)	(0.021)	(0.021)	(0.021)
<p>EC101 19+ West Midlands Growth Company (WMGC) Service Level Agreement</p> <p>The Council currently commissions the West Midlands Growth Company (WMGC) to provide support for companies considering relocating to Birmingham. It is proposed to end financial support for this service. The Council will work with the Local Enterprise Partnership and WMGC to support the delivery of inward investment services to companies considering relocating to city centre Enterprise Zone sites, while the WMGC is also consulting on a business case for additional investment for regional inward investment services from the West Midlands Combined Authority (WMCA). The Council will also work with the WMGC to influence the setting of inward investment priorities.</p>	New	(0.313)	(0.313)	(0.313)	(0.313)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>EC102 19+ Transportation & Connectivity</p> <p>Following a recent restructure two additional teams have been created: Projects and Programmes, and Property Information. There are synergies in work and capability between these teams and other existing teams covering Project Delivery (project management) and Policy and Information (maintenance of land and highways registers). It is proposed to redesign these teams and generate efficiencies to reduce staffing costs.</p>	New	(0.100)	(0.100)	(0.100)	(0.100)
<p>EC103A 19+ Commercial Income Growth</p> <p>This proposal seeks to make more efficient use of the Council's property assets. By employing innovative methods underpinned by a competitive commercial ambition, the Property Strategy will build a resilient and sustainable portfolio to give integrated, community focused services, while supporting transformational change. The Property Strategy outlines an ambition and aspiration to grow the annual rental income receivable by up to 20% gross (including inflation) over the next 5 years. A robust review of performance across the existing commercial portfolio will drive out opportunities to dispose of those assets which are performing poorly and inform future decision making in terms of the potential return on reinvesting proceeds generated from disposals.</p> <p>Income growth will be achieved through the optimisation of stock to provide the greatest possible value, the making of investments where value can be uplifted, and the use of targeted acquisitions to expand the portfolio where resources are available. The target savings will be achieved by transforming the Investment Portfolio on commercially sound principles and leveraging capital to deliver enhanced property stock to continue to attract more high-quality businesses to the city.</p>	New	0.690	1.951	(0.798)	(1.825)
<p>EC103B 19+ Operational Hub Programme</p> <p>This proposal seeks the effective utilisation of the Council's operational property assets through the creation of a portfolio of fit for purpose public sector hubs and rationalise unsuitable, under-utilised and expensive to operate buildings.</p> <p>Links to pressure G09</p>	New	0.000	(0.322)	(0.483)	(0.537)
<p>EC105 19+ Full Cost Recovery of European and International Affairs Team</p> <p>It is proposed to seek to recover the full costs of providing the service in future years from external funding sources.</p>	New	(0.100)	(0.213)	(0.213)	(0.213)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>EC106A 19+ Energy Savings from Highways Assets</p> <p>It is proposed to reduce energy use on our streetlights by</p> <ul style="list-style-type: none"> reducing street lighting levels (dimming) and shortening the time streetlights are active (trimming) <p>Existing dimming and trimming techniques have been operational in the city for some years.</p> <p>Dimming - Currently we operate a 'single step' dimming operation. This proposal would seek to extend this principle by reducing lighting levels from 70% to 50% of full lighting levels between midnight and 5am.</p> <p>Trimming – it is proposed to slightly change the time at which streetlights can come on. Whilst lights operate dependent on the level of natural light around them, the equipment that detects those lighting levels are also time activated. It is proposed to alter that timing by around 5 minutes at the start and end of the current time limits in order to reduce the operational use of those lights.</p> <p>Resident safety remains an important consideration in evaluating this proposal.</p>	New	(0.150)	(0.150)	(0.150)	(0.150)
<p>EC106B 19+ Redesign of Local Engineering Service</p> <p>It is proposed to restructure the Local Engineering service in order to provide a more effective and efficient service aligned to the needs of local communities and local elected members. The principles of the proposed changes are to:</p> <ul style="list-style-type: none"> Increase the emphasis of the service to support the resolution of everyday highways issues as required by citizens and Elected Members; Provide greater resilience to the service by improving staff reporting lines and aligning job roles and responsibilities. 	New	(0.100)	(0.100)	(0.100)	(0.100)
<p>EC106C 19+ Parking Income and Enforcement</p> <p>In addressing our statutory duties associated with Civil Parking Enforcement (CPE) and the setting of parking tariffs and charges it is estimated that additional income will be generated from these activities in 2019/20 when compared to 2018/19.</p>	New	(0.850)	(0.850)	(0.850)	(0.850)
New proposals		(1.334)	(0.508)	(3.418)	(4.499)
Existing plans		(1.523)	(2.213)	(2.213)	(2.213)
Total savings		(2.857)	(2.721)	(5.631)	(6.712)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
EDUCATION & SKILLS					
CC001 18+ Corporate Structure Savings * Additional savings identified from the restructure of senior management.	Existing	(0.034)	(0.034)	(0.034)	(0.034)
CC002 18+ Efficiency Target* Services will adopt a range of efficiency measures in order to deliver services at a reduced cost.	Existing	(0.664)	(0.664)	(0.664)	(0.664)
CC27 16+ New Operating Model for Community Libraries A reduction in savings following the implementation of the new Community Library Service - some of which were on a time-limited basis.	Existing	0.157	0.157	0.157	0.157
CH6 17+ Educational psychologists The Educational Psychology Service provides a range of traded services to schools ranging from programmes of work with individual children, whole school interventions and staff training. They also provide a full programme of courses for teachers, assistants, parents and carers. Reductions have been made to the funding for the service, through operational efficiencies and potential demand management.	Existing	(0.050)	(0.050)	(0.050)	(0.050)
P22 16+ Early Years The savings are being delivered through a new model for delivering a more joined up Early Years offer to support parents and young children.	Existing	0.120	(0.861)	(1.680)	(1.680)
PL016D 18+ Neighbourhoods & Communities - Youth Service Resources released following the payment of pension fund strain costs.	Existing	0.000	0.000	0.000	0.074
Corporate Funding of Pension Fund Strain Fallout of time-limited savings as a result of pension fund strain being funded corporately.	Existing	0.020	0.022	0.022	0.022
WOC1 Allocation of workforce savings * These are further savings arising from amending the terms and conditions of our employees to reduce the costs of employment whilst ensuring that there remains a core offer that is fair, legally compliant and aligned to our Birmingham Living Wage City commitment. This was after consulting with staff and Trades Unions. There are changes that impact on pay and the saving also relates to a fall out of a one-off consolidated payment in 2017/18.	Existing	(0.283)	(0.570)	(0.570)	(0.570)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>Reduction in Children's Trust contract payment due to savings being made by the trust</p> <p>Savings proposals agreed with the Children's Trust lead to a reduction in the contract payment to be made by the Council.</p>	Existing	(4.027)	(5.572)	(5.572)	(5.572)
<p>CC103 19+ Review of Non-Essential Expenditure</p> <p>The Chief Executive and Chief Finance officer issued a freeze on non-essential expenditure across all directorates and types of expenditure in October 2018 until further notice. This will require officers to review and challenge the need to incur expenditure on supplies and services, proactively finding lower cost solutions, increase the sharing of resources between directorates and to stop or reduce expenditure that can reasonably be avoided in the normal course of business. These changes will be monitored through a Consolidation Board alongside other workstreams. These management actions will contribute towards managing expenditure within budget in 2018/19 and will also enable budget reductions to be applied in 2019/20.</p> <p>As an initial step, a review of historically underspent budgets has been carried out. Budget savings have been identified across all directorates in relation to expenditure such as external accommodation hire, travel, newspapers and periodicals, furniture and equipment, printing and photocopying, consultancy and professional fees, hospitality and other miscellaneous budgets.</p> <p>In addition, through the centralisation of stationery budgets there will be better visibility and coordination of purchases.</p>	New	(0.003)	(0.003)	(0.003)	(0.003)
<p>CC104 19+ Commercialisation</p> <p>To support the ongoing sustainability of a range of services an approach has been undertaken across the organisation to review fees and charges to ensure that they recover the total cost of delivery or where appropriate return a surplus to be reinvest in the ongoing delivery of other services.</p> <p>A range of information has been utilised to support the review, including cost information, charges in similar local councils and also charges levied by other providers (e.g. private businesses) to deliver a consistent approach to charging across the organisation.</p>	New	(0.954)	(0.954)	(0.954)	(0.954)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CY104 19+ Education Safeguarding</p> <p>A minimal subscription has been required of schools to cover training events. Currently 96% of schools subscribe. This year the subscription will rise by approx 30%, (rates vary depending on the key stage of the school and on the pupil numbers), and will bring in an additional £20k this year if subscription rates are maintained. There is a risk that with the increase subscription charges that fewer schools will subscribe.</p>	New	(0.020)	(0.020)	(0.020)	(0.020)
<p>CY105 19+ School and Governor Support</p> <p>In line with last year, a small increase in subscriptions charged to schools will be made.</p>	New	(0.010)	(0.010)	(0.010)	(0.010)
<p>CY106 19+ Building and Property</p> <p>Access to Education staff are currently based in offices across the city. These offices are in buildings outside of the main Council estate where additional rents are charged. Support is often delivered in schools or other settings away from these bases. Through a greater use of agile working the service can move out of these locations and reduce the money spent on rent.</p> <p>The Special Education Needs and Disability Information Advice and Support Service (SENDIASS) currently delivers its service from a community centre. In line with the wider changes proposed in response to the recent local Birmingham SEND inspection this service will be re-located to avoid current building charges.</p>	New	(0.080)	(0.080)	(0.080)	(0.080)
<p>CY108 19+ Children's Trust</p> <p>The contract with the Trust will be reduced for the financial year 2019/20 through a contract variation, as part of annually agreed contract negotiations.</p> <p>The Trust will seek to achieve the saving through improved efficiency, support service transformation and more effective demand management around alternatives to care. The Trust model allows for flexibility in delivery planning and there are no plans to reduce service levels to achieve this saving.</p>	New	(1.000)	(1.000)	(1.000)	(1.000)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>CY109 19+ Management Review and Structure</p> <p>The changes will involve a review of management grades across the Directorate, in line with an organisational restructure, to ensure that the staffing resources of the Directorate are utilised in the most effective way.</p> <p>The review will be undertaken with the intention of delivering better outcomes for children, families and service partners across the city, whilst making the best possible use of the staffing budget available to the Directorate.</p>	New	(0.143)	(0.143)	(0.143)	(0.143)
<p>CY110 19+ Travel Assist</p> <p>It is proposed that the service strengthens the offer to parents to make decisions that best suit them and their families, through the use of personal transport budgets; widen the offer for independent travel training and make available a wide variety of transport options for families, and promote independence.</p> <p>The Travel Assist Service has been the subject of an improvement plan since 2016.</p> <p>As part of the modernisation of the service it is important to keep reviewing the service, looking at examples of good practice from elsewhere, and developing our offer to children and families.</p> <p>The service will continue to deliver its statutory duties, and will focus on improving the offer currently available to school-age children.</p>	New	(1.718)	(2.488)	(2.488)	(2.488)
<p>EC104 19+ Employment and Skills Cross Directorate Rationalisation</p> <p>It is proposed that a new single Education and Skills service is created through a harmonisation process bringing together the range of education, employment and skills services currently held across 3 Directorates.</p>	New	(0.100)	(0.100)	(0.100)	(0.100)
<p>PL102A 19+ Extend the corporate training remit to include provision for the take up of level 3 loans for 19+ learners</p> <p>Corporate Training will continue to deliver IT and business courses for corporate clients, however the single member of staff who runs this section will take on additional grant-funded work. Their salary will be moved across to reflect this in the budget.</p>	New	(0.027)	(0.027)	(0.027)	(0.027)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>PL102B 19+ Stop Provision for English as a Foreign Language to Prevent a Greater Pressure</p> <p>Take-up for English as a Foreign Language courses (EFL) has been declining over the last three years. The provision ceased in August 2018, so this will formally remove the expenditure from budgets. Income target will not be achieved.</p>	New	0.234	0.234	0.234	0.234
<p>PL130 19+ Reduce the Amount of Books Purchased for the Library Service</p> <p>The library service currently allocates £0.760m per annum to a budget known as the 'Book fund'. This budget funds the essential systems needed to run a library service such as the IT Library Management system called Spydus, electronic databases, library cards and of course books and periodicals.</p> <p>Once the expenditure is made on the essential support systems this currently leaves a controllable spend of £0.415m. When the proposed saving of £0.234m is removed this will leave £182,000 to spend on new books a 56% reduction.</p> <p>The new budget level will enable the following to be purchased in future:</p> <ul style="list-style-type: none"> • All the current IT support systems and other essential spend at a cost of £0.344m p.a. • Approximately 25,000 new books purchased each year compared to the current 50,000 new books purchased each year at a cost of £0.182m p.a. 	New	(0.234)	(0.238)	(0.238)	(0.238)
New proposals		(4.055)	(4.829)	(4.829)	(4.829)
Existing plans		(4.761)	(7.572)	(8.391)	(8.317)
Total savings		(8.816)	(12.401)	(13.220)	(13.146)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
ADULT SOCIAL CARE					
<p>HW1 17+ / MIA7 16+ Prevention & Early intervention</p> <p>Supporting People and Third Sector commissioned services now form part of a new prevention approach to meet the needs of a range of vulnerable people. In future these services will apply a different pathway methodology for more structured prevention services. The pathway model has been developed by Birmingham in partnership with the housing and homelessness sector providers and national partner agencies. The approach will ensure that community assets and local networks are the natural first point of contact when citizens or carers need support. As part of moving to a new approach, Value for Money, performance and strategic relevance reviews of all contracted and grant services will continue to be carried out. This may result in the variations to some services and in some instances possible decommissioning.</p> <p>The Directorate is at the midpoint of implementing its Improvement and Business Plan 2017-21. It is ensuring the approved and new savings proposals are aligned with the programme of change and transformation.</p>	Existing	(0.005)	(0.017)	(0.017)	(0.017)
<p>HW3 17+ Enablement efficiencies</p> <p>The introduction of new arrangements which allow the use of the Council's remaining funds to be linked to carers' assessments carried out by the Carers' Hub so that specific outcomes for the carer can be identified.</p> <p>The remaining funding will part of a holistic approach with a single provider to provide an improved experience for carers through bringing assessments together with grants, so that accessing the grants is both in line with what carers have asked for. This will be a simpler and easier process requiring carers to work with only one organisation</p> <p>The Directorate is at the midpoint of implementing its Improvement and Business Plan 2017-21. It is ensuring the approved and new savings proposals are aligned with the programme of change and transformation.</p>	Existing	0.000	0.461	0.461	0.461

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>HW4 17+ / HW11 17+ / AD002 18+ Integrated community social work organisations</p> <p>This proposal includes a restructure of the Social Work Assessment and Care Management Service which will increase the number of people reporting to individual managers (spans of control), further the moves to an asset-based assessment approach for citizens (focusing on what the citizen can do for themselves) and further the development of the community offer by working more closely with the third sector.</p> <p>The new approach will enable and empower people to develop and receive services in their own community by working closely with local GPs, communities and the Voluntary Sector. It is envisaged that a restructure will include increasing the span of control for the managers of the service and remodelling other services.</p> <p>The remodelling of the service will also include moving the specialist provision of Learning Disabilities and Mental Health into the Community Teams.</p> <p>The Directorate is at the midpoint of implementing its Improvement and Business Plan 2017-21. It is ensuring the approved and new savings proposals are aligned with the programme of change and transformation.</p>	Existing	(0.993)	(1.814)	(3.107)	(3.107)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>HW7 17+ / AD006 18+ Public Health</p> <p>It is proposed to re-direct discretionary aspects of the Public Health allocation into prevention and early intervention. This is in addition to the reductions of £4.78m planned for 2019/20 and beyond, which are due to forecast grant reduction.</p> <p>We are proposing the following changes to achieve this:</p> <ul style="list-style-type: none"> • Changing the school nursing service from a universal to targeted service (in 2018/19) • Further staffing redesign (2018/19), changes to the Young Persons substance misuse service (2019/20) • Stopping support to the financial advice service and the Young Persons homeless hub (2020/21) • Reducing the expenditure on the smoking/quit service and stopping the substance misuse homeless service (both from 2020/21). <p>The Directorate is at the midpoint of implementing its Improvement and Business Plan 2017-21. It is ensuring the approved and new savings proposals are aligned with the programme of change and transformation.</p>	Existing	(0.010)	(1.510)	(0.500)	(0.500)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>HW10 17+ / MYR1 16+ / AD001 18+ Adult social care high cost provision</p> <p>These proposals aim to:</p> <ul style="list-style-type: none"> • Enable vulnerable people, such as those with learning disabilities or mental health problems, to access services in the community, e.g. homecare/day care, rather than being in residential care. It aims to meet needs locally, providing support close to home rather than out of area. • Help older people by working more effectively with the NHS, to avoid admissions to hospital in the future. This work coupled with the intention to move to Community focussed Social Care teams and investment in the community will improve older people's resilience and move to a 'last resort' scenario for residential services. The motto will be 'Home First'. • Increase income from charges to clients by reviewing our existing charging policy to consider introducing a range of new charges on services. <p>The Directorate is at the midpoint of implementing its Improvement and Business Plan 2017-21. It is ensuring the approved and new savings proposals are aligned with the programme of change and transformation.</p>	Existing	(6.250)	(14.750)	(22.250)	(22.250)
<p>AD005 18+ Corporate Director</p> <p>The financial circumstances of Service Users eligible to receive care from the Council is assessed in line with Government Regulations, to work out what contribution they should make to the cost of their care.</p> <p>The Council raises bills to the Service Users to collect these contributions but some of these are not paid immediately. The Council uses a variety of means to collect these debts taking account of the circumstances of the Service Users. The Council will review the processes and methods used to ensure that the maximum amount of outstanding debt is collected.</p> <p>The Directorate is at the midpoint of implementing its Improvement and Business Plan 2017-21. It is ensuring the approved and new savings proposals are aligned with the programme of change and transformation.</p>	Existing	0.000	(0.070)	(0.070)	(0.070)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>AD007 18+ Specialist Care Services</p> <p>The proposal is to move away from institution based care to local community based activities. The Council will continue to provide and develop services that reduce the dependency on social care including Enablement (rehabilitation), Equipment, Home Adaptations and Occupational Therapy services. Through partnership, it will develop opportunities to reduce cost and improve effectiveness through integration with health.</p> <p>As the Day Opportunity strategy and model is developed with service users, we expect this to reduce the reliance on building based care to reflect the changing needs of people. This may include further consolidation of younger adults' day care as demand for this provision reduces. Support and access to meaningful activities such as employment will continue. Carers respite will continue and a greater range of options will be developed.</p> <p>We will review the use and cost effectiveness of our Care Centres and bed-based services in partnership with Health and the independent sector to ensure these services deliver best value. We will continue to develop alternatives to bed-based care and invest in Shared Lives and Homeshare to deliver alternative living arrangements that promote staying in the community and independence and have a lower average cost than Residential Care Placements.</p> <p>The Directorate is at the midpoint of implementing its Improvement and Business Plan 2017-21. It is ensuring the approved and new savings proposals are aligned with the programme of change and transformation.</p>	Existing	(2.118)	(3.175)	(3.175)	(3.175)
<p>CC001 18+ Corporate Structure Savings *</p> <p>Additional savings identified from the restructure of senior management.</p>	Existing	(0.183)	(0.183)	(0.183)	(0.183)
<p>CC002 18+ Efficiency Target*</p> <p>Services will adopt a range of efficiency measures in order to deliver services at a reduced cost.</p>	Existing	(2.408)	(2.441)	(2.441)	(2.466)
<p>Corporate Funding of Pension Fund Strain</p> <p>Fallout of time-limited savings as a result of pension fund strain being funded corporately.</p>	Existing	0.316	0.722	0.722	0.722

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>WOC1 Allocation of workforce savings *</p> <p>These are further savings arising from amending the terms and conditions of our employees to reduce the costs of employment whilst ensuring that there remains a core offer that is fair, legally compliant and aligned to our Birmingham Living Wage City commitment. This was after consulting with staff and Trades Unions. There are changes that impact on pay and the saving also relates to a fall out of a one-off consolidated payment in 2017/18.</p>	Existing	(0.674)	(1.777)	(1.777)	(1.777)
<p>AD101A 19+ Funding of Equipment Loan Store</p> <p>The change being proposed is to make use of the capital resources budget to pay for larger items of equipment which will continue to help people remain independent in their own homes and communities.</p>	New	(0.500)	(0.500)	(0.500)	(0.500)
<p>AD101B 19+ Funding of Assistive Equipment</p> <p>The change being proposed is to make use of the capital resources budget to pay for larger items of equipment which will continue to help people remain independent in their own homes and communities, in line with the Birmingham vision for adult social care and health. There will be no other changes to the service provided.</p>	New	(0.800)	(0.800)	(0.800)	(0.800)
<p>AD102 19+ Bharosa Service</p> <p>The long term proposal is to ensure the Bharosa service is aligned to key public health outcomes and delivers against the Domestic Violence Strategy. In order to achieve this, it is assumed that the service will be directly funded by Public Health for a period while options are prepared for future service delivery. Implementation of a new service delivery model will follow to ensure the service delivers against the Domestic Violence Strategy and key Public Health outcomes. Future proposals will be consulted on.</p>	New	(0.200)	(0.200)	(0.200)	(0.200)
<p>AD103 19+ HIV/TB Support</p> <p>The proposal is to decommission the existing HIV/TB service and work with NHS England and other providers to develop more general care arrangements for service users.</p>	New	(0.140)	(0.255)	(0.255)	(0.255)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<p>AD104 19+ Fees and Charges Review</p> <p>To refine the current system for Financial Assessments to create a more efficient, fairer system of charging for those who access non-residential care. This will focus on the allowances and disregards, including disability related expenditure, that are included in the financial assessment. The financial assessment will remain individual to the client and uphold the principles in the Care and Support Statutory Guidance to ensure that people are not charged more than it is reasonably practicable for them to pay.</p>	New	(0.225)	(0.450)	(0.450)	(0.450)
<p>CC101 19+ Consolidation of satellite contact centres</p> <p>Proposal for two contact centres that currently sit within directorates will be incorporated into the corporate contact centre. The services that have been identified are:</p> <ul style="list-style-type: none"> • Adults ACAP • Tenancy & Estate Management (TEM) 	New	(0.075)	(0.075)	(0.075)	(0.075)
<p>CC103 19+ Review of Non-Essential Expenditure</p> <p>The Chief Executive and Chief Finance officer issued a freeze on non-essential expenditure across all directorates and types of expenditure in October 2018 until further notice. This will require officers to review and challenge the need to incur expenditure on supplies and services, proactively finding lower cost solutions, increase the sharing of resources between directorates and to stop or reduce expenditure that can reasonably be avoided in the normal course of business. These changes will be monitored through a Consolidation Board alongside other workstreams. These management actions will contribute towards managing expenditure within budget in 2018/19 and will also enable budget reductions to be applied in 2019/20.</p> <p>As an initial step, a review of historically underspent budgets has been carried out. Budget savings have been identified across all directorates in relation to expenditure such as external accommodation hire, travel, newspapers and periodicals, furniture and equipment, printing and photocopying, consultancy and professional fees, hospitality and other miscellaneous budgets.</p> <p>In addition, through the centralisation of stationery budgets there will be better visibility and coordination of purchases.</p>	New	(0.170)	(0.170)	(0.170)	(0.170)

Description	New or Existing Saving	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
CC104 19+ Commercialisation To support the ongoing sustainability of a range of services an approach has been undertaken across the organisation to review fees and charges to ensure that they recover the total cost of delivery or where appropriate return a surplus to be reinvest in the ongoing delivery of other services. A range of information has been utilised to support the review, including cost information, charges in similar local councils and also charges levied by other providers (e.g. private businesses) to deliver a consistent approach to charging across the organisation.	New	(0.185)	(0.185)	(0.185)	(0.185)
New proposals		(2.295)	(2.635)	(2.635)	(2.635)
Existing plans		(12.325)	(24.554)	(32.337)	(32.362)
Total savings		(14.620)	(27.189)	(34.972)	(34.997)
CORPORATE					
CC19 16+ Revenue Services Transformation Programme A final adjustment to reflect the phasing of savings in respect of the collection of BIDS income.	Existing	0.020	0.020	0.020	0.020
CC23 16+ ICT&D strategy The fallout of time-limited savings relating to lower debt charges.	Existing	0.010	0.010	0.010	0.010
SS012 18+ / CC104 19+ Commercialisation Adjustment to phasing of increased fees and charges income and reflecting the reallocation to individual services.	Existing	1.150	(0.125)	(0.125)	(0.125)
CC105 19+ Consolidation Programme – Transport Workstream It is proposed to manage the Council's transports functions from a central team rather than across multiple Directorates. This will ensure a more strategic approach to fleet and plant management and lead to improved service delivery and lower cost. Links to pressure F04	New	0.000	(0.400)	(0.800)	(0.800)
New proposals		0.000	(0.400)	(0.800)	(0.800)
Existing plans		1.180	(0.095)	(0.095)	(0.095)
Total savings		1.180	(0.495)	(0.895)	(0.895)
Total new proposals		(16.946)	(19.440)	(23.858)	(25.997)
Total existing plans		(29.245)	(48.953)	(58.612)	(58.793)
Total savings		(46.191)	(68.393)	(82.470)	(84.790)

* Some of these savings may need to be reallocated due to restructuring

APPENDIX F: BIRMINGHAM CITY COUNCIL WORKFORCE STRATEGY 2018 – 2022



Vision

To be an employer of choice, demonstrated by a highly performing diverse workforce, capable of managing and planning innovative and financially robust service delivery to enable the city to grow and ensure every child, citizen and place matters

Introduction and context

Purpose

The Council Plan sets out a clear vision for the future and enables us to define a strategic approach to how we will develop our current and future workforce with the right skills, environment and culture to enable the Council to deliver, with declining resources, our outcomes.

Scope

This strategy provides a framework to all staff by providing direction on; workforce planning, performance, learning and development, leadership and management, engagement reward and wellbeing.

Delivery

The delivery of the strategy will enable the Council to develop a high performing workforce, composed of diverse, skilled, adaptable, engaged, empowered and creative teams. Our structures will bring us closer to our customers where a solution focused approach is supported by a modern and progressive organisational culture.

We will deliver effective and efficient services, underpinned by core values and behaviours, ensuring a great city to grow up, live, succeed and grow old in, as outlined in our priority outcomes.

Outcomes – where do we need to be?

Effective financial management and accountability which reduces duplication, drives efficiencies and balances the books.

Staff empowered to make creative and innovative decisions and equally participate in all aspects of service delivery and development.

Evidence based decision making, planning and delivery supported by accurate workforce data and projections of workforce needs and efficiencies both of our workforce and those we need to commission services from.

High performing workforce where we have the right skills and behaviours, supported by an induction, appraisal and development programme. Change is embraced through effective internal communications and visible leadership to reinforce the direction of travel.

Excellent management across the Council supported by a regular leadership and management development programme and robust HR policies and processes, underpinned with positive industrial relations.

Effective political leadership and managerial leadership, working as a constructive partnership which generates solutions at the pace required.

Recognised as a modern and fit for purpose employer of choice where our recruitment, career development and reward and recognition structure align with workforce plans and employee satisfaction levels and the number of people wanting to come and work for us increases.

A highly motivated and engaged workforce who value the opportunity to feedback opinions and feelings through on-going engagement initiatives and the annual staff survey, in the knowledge that these are heard and acted upon.

Workforce policies and practices are positively embraced, embedded and consistently applied into everyday practice, supporting a culture of transparency and trust which embraces change.

Making it happen

PRIORITY ONE - WORKFORCE PLANNING AND MANAGING POTENTIAL

- Build positive industrial relations across the Council, working together with our trade union colleagues to make a positive difference
- Re-launch our workforce planning tool to help services think about, and plan, their workforce requirements
- Revise our induction programme to successfully on-board new colleagues
- Provide more opportunities to boost skills of the wider workforce through work experience, apprenticeships and graduate schemes that help improve economic productivity
- Design career frameworks linked to service specific workforce plans to address recruitment and retention of hard to fill roles
- Organisational agility and new ways of working is supported by the ICT & Digital Strategy and transformation teams to generate income and deliver transformed services
- Review recruitment processes to ensure we attract the best people across the community and recruit for the behaviour and value mind-set we desire
- Manage potential across our diverse workforce to ensure all staff have the opportunity to flourish to support and drive achievement of the Council's priorities

PRIORITY TWO - PERFORMANCE AND DEVELOPMENT

- Enable managers to support staff with development planning, supporting them to reflect on their performance, giving and receiving feedback and helping staff to be solution focused and to take personal responsibility for their own performance and development through a revised appraisal system
- Focus development activities on increasing our leadership capability and capacity for leading employees through change and creating a culture of collaborating with others, having a commercial focus, and building a resilient customer focused workforce
- Review performance processes, systems and technology to ensure they are fit for purpose for a smaller more agile and adaptable workforce
- Ensure that staff understand their role, the contribution they make to the Council and what they can do to achieve the required levels of high performance
- Our learning and development offer is accessible to all, affordable, efficiently delivered and aligned to emerging development priorities to become 21st Century Public Servants
- Ensure systems and processes facilitate the extraction of valid and reliable data to inform financial planning, business forecasts and monitoring of the "organisational health"

PRIORITY THREE - LEADERSHIP AND MANAGEMENT

- Managers develop their leadership capability at all levels to build trust and resilience, maximise the potential of their teams and lead the way in enhancing our capacity for working in collaboration and partnership
- Leadership is found at all levels of the organisation and we encourage our dispersed leadership to grow
- Launch a management development programme for existing and aspiring managers which focuses on managing staff, resources and budgets based on analytical evidence based planning
- “Balance the books” through strategic planning, enhanced business acumen and clear understanding of the impact of financial decision making
- Effective joint working between members and officers will be evident through induction, governance, information sharing and peer support as part of member and senior officer development programmes
- Senior officer development programme cements cross directorate team working and peer learning, effective governance and improved communication and engagement

PRIORITY FOUR - ENGAGEMENT, REWARD AND WELLBEING

- Work together to revisit the set of common behaviours that allow us to live our values every day and express our sense of personal responsibility and pride in working at Birmingham City Council
- Be recognised as an employer of choice and celebrate diversity in our workforce and local community through staff awareness and a culture of respect and inclusivity
- Revisit policies and practice to support staff to genuinely feel they can be who they are and feel confident in a supportive environment, able to contribute their ideas and opinions and work in partnership with others
- Create development and network opportunities so staff relay to others positive stories about our council as a supportive employer that encourages confidence and diversity
- Provide timely information and guidance to enable the proactive and consistent management of sickness absence
- Promotional campaigns to ensure staff are aware of the benefits and well-being support available to them
- Review our staff recognition and rewards scheme to offer a more flexible and personal touch to celebrating the commitment and hard work of staff

Our success measures

 <p>An increasing amount of staff choose to provide diversity data</p>	 <p>Increased numbers of opportunities for Care Leavers, Interns and Graduates</p>	 <p>Attendance rates are higher, Employees feel proud to work at BCC</p>	 <p>Reduced operating expenditure per employee</p>	 <p>All staff report having an appraisal</p>
 <p>Majority of staff report satisfaction with their development plans</p>	 <p>Staff survey completion rates increase</p>	 <p>We have more applications from local residents</p>	 <p>All new starters receive their induction within 2 months of starting</p>	 <p>Financial contracts for all managers</p>

APPENDIX G: COUNCIL TAX

	City Council	Fire and Rescue Authority	West Midlands Police & Crime Commissioner	New Frankley in Birmingham Parish Precept	Royal Sutton Coldfield Town Precept
		£m	£m	£m	£m
City Council Net Budget	851.590				
Less: Business Rates and Top-Up Grant	504.196				
Equals: amount required from Collection Fund	347.394				
Plus: estimated deficit in Collection Fund	0.000				
Equals: amount required from council tax payers	347.394	15.246	38.379	0.031	1.851
Divided by taxbase (Band D equivalent properties)	251,580	251,580	251,580	1,352	37,056
Equals: Band D Council Tax	1,380.85	60.60	152.55	23.09	49.96
Percentage Change in each element of Council Tax	4.99%	2.99%	18.67%	-32.09%	0.00%
Total Band D Council Tax			£1,594.00	£1,617.09	£1,643.96

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

The detailed Council Tax levels for each property band in Birmingham are:

Band	City Council £	Fire and Rescue Authority £	West Midlands Police & Crime Commissioner £	Total excl. Parish Precept £	New Frankley in Birmingham		Royal Sutton Coldfield	
					Parish Precept £	Parish Total £	Town Precept £	Town Total £
A	920.57	40.40	101.70	1,062.67	15.39	1,078.06	33.30	1,095.97
B	1,073.99	47.13	118.65	1,239.77	17.96	1,257.73	38.86	1,278.63
C	1,227.42	53.86	135.60	1,416.88	20.53	1,437.41	44.41	1,461.29
D	1,380.85	60.60	152.55	1,594.00	23.09	1,617.09	49.96	1,643.96
E	1,687.71	74.07	186.45	1,948.23	28.22	1,976.45	61.06	2,009.29
F	1,994.56	87.53	220.35	2,302.44	33.35	2,335.79	72.17	2,374.61
G	2,301.42	101.00	254.25	2,656.67	38.48	2,695.15	83.26	2,739.93
H	2,761.70	121.20	305.10	3,188.00	46.18	3,234.18	99.92	3,287.92

APPENDIX H: SUMMARY OF RESPONSES TO CONSULTATION

This draft report summarises responses to Birmingham City Council's Budget Consultation 2019+, which ran from 13 November 2018 to 31 December 2018.

The council continues to face a significant financial challenge for 2019/20 against a backdrop of ongoing reductions in Government grant and pressures to spend more on core services to the public. These budget pressures cover a range of costs including the effects of inflation and meeting increasing demand for Adult Social Care services. The aim is to deliver a sustainable plan for future years. This year's consultation referred to £18m for specific proposals for the coming 2019/20 financial year. It also referred to the longer term financial challenge of identifying a total of £86m by 2021/22. These savings are on top of the savings of around £690m that the Council has already made since 2010/11.

In addition to the consultation document the consultation process involved a public meeting, briefing for the business community, online activity (including a survey, social media, webcasts etc) and wider engagement through the Council's Overview and Scrutiny Committees and discussion at some ward forums.

In addition, each directorate is expected to carry out individual consultation with its service users, as appropriate, before implementation of any decisions.

Responses were received as follows:

- 873 responses to the online 'Be Heard' online survey¹
- Comments from organisations made through submissions to 'Budget Views' includes emails and letter. This includes a campaign run by 'Love culture, hate cuts' which generated 784 postal responses, 70 emails and 4,901 signatures to an online petition

Overall, the budget consultation for 2019+ generated considerable response across the city. The focus was to encourage participants to take part via the online survey and to rank the services that were most important to them. This allowed the consultation to take account of residents' genuine preferences and concerns rather than being skewed towards individual popular campaigns.

This consultation was on the overall resource allocation. Council Directorates will be supplementing this with more detailed service led consultations and equality impact assessments with those affected. These will complement the corporate impact assessment and are available via the Council's website.

Respondents were asked to specify which services were most important to them, and to what extent they agreed or disagreed with the proposals. The proposals were grouped according to service and then the level of Council Tax and the Social Care

¹ This volume of response provides a 95% confidence level (based on a population estimate of 1.14m) and a margin of error of +/- 3.5%.

Precept. Finally, they were invited to make comments or suggestions as to how to save money.

Most important services

The online survey asked respondents to rank the top five services that were most important to them and their families from a list of 25 key services. These ranged from child protection, environmental health and transport planning, to older and disabled people.

The top five themes in the questionnaire based upon the totals were:

Top 5 - based on total score (e.g. rank 1 = 5 points, rank 2 = 4 points, rank 3 = 3 points, etc.)	Top 5 - based on most rank '1' given to service
Refuse collection	Care and support for older and disabled people
Care and support for older and disabled people	Refuse collection
Child protection and safeguarding	Child protection and safeguarding
People with mental health issues	Community Safety
Community Safety	Improving B 'ham economy

The online budget consultation survey asked whether respondents agreed or disagreed with the proposals for key service areas. Overall more agreed than disagreed.

Agreement with overall themes (% based on number of respondents to that theme)

Directorates	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know	Total	Total agree	Total disagree
Place	5%	23%	30%	15%	17%	10%	100%	28%	32%
Economy	7%	31%	32%	13%	10%	8%	100%	38%	22%
Children & Young People	5%	31%	33%	13%	9%	9%	100%	36%	22%
Cross Cutting	10%	32%	31%	11%	8%	6%	100%	43%	20%
Strategic Services	11%	33%	28%	12%	7%	9%	100%	44%	18%
Adult Social Care & Health	7%	31%	34%	10%	8%	10%	100%	38%	18%
Finance & Governance	11%	39%	28%	8%	6%	9%	100%	50%	13%
Human Resources	14%	40%	26%	7%	5%	9%	100%	53%	12%
Chief Executive/ Assistant Chief Executive	13%	38%	29%	6%	5%	9%	100%	51%	11%

If the participant disagreed, they were asked with which proposal they disagreed. The three areas with the highest levels of disagreements were:

- Place (32%) disagree
- Economy (22%) disagree
- Children's Services (22%) disagree

However, outside of the Place directorate, more people agreed with the proposals than disagreed with a significant number of people – all proposals – who neither agreed nor disagreed with the proposals (ranging from 26% to 34%). Where there were specific concerns with particular proposals these were picked up in the analysis of the comments received (later in this report).

The proposals in the Place directorate received the highest level of disagreement - with the top three areas of concern being

- Culture
- Charges for car parking in parks
- Regulation/enforcement especially around pest control

On Economy - there were two main areas of comments and these were related to

- Concerns around dimming and trimming street lighting
- Closure of the Tourist Information Centre

Respondents on Children and Young People were concerned about:

- School subscriptions and that schools will no longer subscribe in the future if they are asked to pay more, which could impact education standards and children's safeguarding
- The Travel Assist offer - feeling that this service needs protecting and that the impact of changes will be affecting the most vulnerable

Public meetings

Contributors to the open public meeting raised the following subjects:

- Concerns about moving services online
- Special educational needs and personal transport budgets
- The use of volunteers in libraries
- Concerns about care for those with physical disabilities and the elderly
- The need for tourist information centres in the light of the Commonwealth Games

- The importance of parks to the city

The business meeting raised issues such as:

- Business Improvement Districts and recognition of the work that they carry out
- The assessment system for social care and health businesses

Council Tax and Social Care Precept

- Just over half of all respondents to the online questionnaire disagreed (52%) with the proposed general 2.99% increase in Council Tax, with just under half agreeing (48%)
- 58% of respondents disagreed to the rise when the Council Tax was combined with the social care precept with 42% agreeing. The proposal is to increase Council Tax by a further 2% to pay for adult social care (known as the Adult Social Care precept)

Other comments and suggestions for saving money

Respondents to the online survey were asked for further comments and suggestions as to how the Council could save money. Overall, there were 655 comments made. There were as many as 52 different themes. Perceived council waste and inefficiency had the largest number of comments (15%) with respondents describing what they saw as council waste and poor performance, followed by suggestions around contracts/private sector/consultants (9%) that included views both for "outsourcing more services" and against "less outsourcing". There were calls made to reduce salaries of executives and councillors (6%).

The refuse service received 6.6% of comments in this section and a large proportion of these were suggesting changing to fortnightly collections and suggestions for privatisation. There were several comments around roads use of external contracts/private sector/consultants; support for the vulnerable.

In addition, there was a separate campaign on "Love culture, hate cuts", which distributed postcards and an online petition around the city's cultural spots for the general public to express concerns about cultural funding. This generated a significant volume of postcards and letters (784), emails (70) and an online petition (4,901 signatures).

**It is the Council's policy to undertake equality impact assessments in compliance with the Equality Act 2010. In addition to the corporate overview, service specific impact assessments are undertaken as required.*

APPENDIX I: FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

	Original Investment Expenditure	Revised Investment Expenditure	Planned Investment Expenditure	Planned Savings generated	Additional Savings Generated in Comparison to 2018/19				Justification for Use of Capital Receipts Flexibility
	2018/19 £m	2018/19 £m	2019/20 £m	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	
Connected Birmingham	0.000	0.615	0.000	(1.022)	0.000	0.000	0.000	0.000	The City Council will design and develop a modern transport network for the City to help develop attractive shopping areas, promote greener forms of transport and improve the environment. We propose to change travel behaviour, reducing the reliance on car trips by a switch to attractive modes of transport and improving air quality. it is envisaged that this will benefit the Council in a number of ways including: - The Council has been designated as a "Clean Air Zone" area. in order to avoid potential fines it must begin to look at ways of addressing the issue and this programme is one of the elements of that process. - By reducing road trips this will have an impact on wear and tear and potential Highways R&M costs. - Incidental surplus income for re-investment in specific priorities in line with regulation.
New approach to Special Educational Needs and Disabilities	0.093	0.059	0.000	0.000	0.000	0.000	0.000	0.000	The funding is to support a Transitions Project Group that will be responsible for the co- production of a delivery plan to align and integrate support for young adults moving through transition and into adulthood. This will be developed based on the principles of a move towards a 'whole life' disability approach in Birmingham. The main focus is on the 14 to 25 year old support as per the SEND guidance.
Core ICT Savings Proposals	9.006	3.630	7.713	0.630	(1.760)	(2.570)	(2.570)	(2.570)	This spending is being incurred to deliver ICT savings amounting to over £50m across the period from 2017/18 to 2021/22. Contract negotiations with Capita have led to the sale of the Council's stake in Service Birmingham, agreed by Cabinet in November 2017, and the development of a programme for transitioning services back to BCC in the lead up to the end of the current ICT contract in March 2021. The expenditure has been incurred on a range of professional support services including project management and technical, legal and financial support. The proposed £11.343m investment in core ICT proposals is an integral part of the programme of transitioning services back into the Council. The projects that these monies will be invested in will change the way the Council's core ICT systems are delivered and enable significant reductions in the running costs of these systems. This investment involves the repurposing of resources originally agreed by Cabinet in October 2016 as part of the ICT Technical Refresh and Investment Programme. Many of these projects were originally anticipated to involve capital investment but as the Council moves towards cloud based solutions, will instead require up front revenue investment.
Commissioning Strategy for construction related and facilities management services	0.350	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Redundancy costs, including pension strain costs	16.100	14.674	12.115						Costs of change associated with delivering the Council's savings programme
Redundancy costs, including pension strain costs- ACIVICO	0.000	2.500	0.000						Minimises potential future costs for the Council.
Reduce, Reuse, Recycle	0.390	0.103	0.000	(1.750)	(6.250)	(6.250)	(6.250)	(6.250)	Charges associated with procuring a new Waste Disposal Contract and delivering the City Council's Savings Programme
Adult Social Care	0.000	0.117	0.000	0.000	(6.250)	(14.750)	(22.250)	(22.250)	Part of the upfront funding required to release savings associated with Adult social Care packages (AD001). Planning savings across the Health and Care system in line with the vision for Adult Social Care and Health approved by Cabinet on 3rd October 2017.
Total Flexible Use of Capital Receipts	25.939	21.698	19.828	(2.142)	(14.260)	(23.570)	(31.070)	(31.070)	

APPENDIX J: REVENUE BUDGET BY DIRECTORATE

Gross Expenditure

	2018/19 Adjusted Budget £m	2019/20 Budget £m
Directorate		
Finance & Governance	48.439	49.403
Human Resources Directorate	10.446	10.023
Digital & Customer Services Directorate	556.423	560.031
Assistant Chief Executive	94.198	94.791
Neighbourhoods Directorate	189.158	182.615
Inclusive Growth Directorate	251.051	271.870
Education & Skills Directorate	1,075.916	1,061.197
Adults Social Care Directorate	447.805	446.314
Total Directorate Expenditure	2,673.436	2,676.244
Corporately Managed Budgets	89.131	91.508
Contingencies	12.581	42.244
Total Expenditure on Services	2,775.148	2,809.996
Corporate Contribution to Reserves	19.961	25.171
Corporate Repayment of Borrowing from Reserves	0.985	0.000
Total General Fund Expenditure	2,796.094	2,835.167
Housing Revenue Account	277.247	273.754
Total Gross Expenditure	3,073.341	3,108.921

Gross Income

	2018/19 Adjusted Budget £m	2019/20 Budget £m
Directorate		
Finance & Governance	(24.087)	(24.489)
Human Resources Directorate	(3.873)	(3.394)
Digital & Customer Services Directorate	(522.790)	(533.209)
Assistant Chief Executive	(92.072)	(90.741)
Neighbourhoods Directorate	(79.645)	(82.771)
Inclusive Growth Directorate	(152.018)	(167.893)
Education & Skills Directorate	(822.547)	(805.720)
Adults Social Care Directorate	(111.573)	(120.608)
Total Directorate Income	(1,808.605)	(1,828.825)
Corporately Managed Budgets	(4.244)	(4.852)
Contingencies	(1.100)	0.000
Corporate Grants	(96.414)	(127.409)
Total Income from Services	(1,910.363)	(1,961.086)
Corporate Use of Reserves	(30.542)	(22.269)
Corporate Borrowing from Reserves	0.000	(0.222)
Total General Fund Income	(1,940.905)	(1,983.577)
Housing Revenue Account	(277.247)	(273.754)
Total Gross Income	(2,218.152)	(2,257.331)

Net Expenditure

	2018/19 Adjusted Budget £m	2019/20 Budget £m
Directorate		
Finance & Governance	24.352	24.914
Human Resources Directorate	6.573	6.629
Digital & Customer Services Directorate	33.633	26.822
Assistant Chief Executive	2.126	4.050
Neighbourhoods Directorate	109.513	99.844
Inclusive Growth Directorate	99.033	103.977
Education & Skills Directorate	253.369	255.477
Adults Social Care Directorate	336.232	325.706
Total Directorate Net Expenditure	864.831	847.419
Corporately Managed Budgets	84.887	86.656
Contingencies	11.481	42.244
Corporate Grants	(96.414)	(127.409)
Total Net Expenditure on Services	864.785	848.910
Corporate Use of Reserves	(10.581)	2.902
Corporate Net Borrowing from Reserves	0.985	(0.222)
Total General Fund Budget	855.189	851.590
Housing Revenue Account	0.000	0.000
City Council Budget	855.189	851.590

Analysis of Change in Net Budget 2018/19 to 2019/20

	Adjusted 2018/19 Budget	Pay & Price Inflation	Budget Pressures & Policy Choices	Savings	Other items, incl. Adjustments between Directorates	Base Budget 2019/20
	£m	£m	£m	£m	£m	£m
Assistant Chief Executive	2.126	0.076	0.000	(0.731)	2.579	4.050
Digital & Customer Services	33.633	1.441	(1.231)	(2.719)	(4.302)	26.822
Finance & Governance	24.352	1.042	9.022	(2.132)	(7.370)	24.914
Inclusive Growth	99.033	3.201	3.168	(2.857)	1.432	103.977
Education & Skills	253.369	4.749	4.171	(8.816)	2.004	255.477
Adult Social Care	336.232	6.739	(2.309)	(14.620)	(0.336)	325.706
Human Resources	6.573	0.137	0.485	(0.514)	(0.052)	6.629
Neighbourhoods(excluding HRA)	109.513	2.224	3.126	(14.982)	(0.037)	99.844
Total Directorate Net Expenditure	864.831	19.609	16.432	(47.371)	(6.082)	847.419
Corporately Managed Budgets	84.887			0.010	1.759	86.656
Contingencies	11.481	(0.222)	21.174	1.170	8.641	42.244
Corporate Grants	(96.414)				(30.995)	(127.409)
Total Net Expenditure on Services	864.785	19.387	37.606	(46.191)	(26.677)	848.910
Corporate Use of Reserves	(10.581)	0.000	0.000	0.000	13.483	2.902
Corporate Net Borrowing from Reserves	0.985	0.000	0.000	0.000	(1.207)	(0.222)
Total General Fund Budget	855.189	19.387	37.606	(46.191)	(14.401)	851.590

	Made up of:	£m
Net change in reserves to balance budget		24.632
Other net change in reserves		(12.356)
Change in Corporately Managed Budgets		4.318
Change in Corporate Grants		(30.995)
		<u>(14.401)</u>

APPENDIX K: HRA BUSINESS PLAN

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 1 to 10	Year 30	Year 1 to 30
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total	2048/49	Total
	£m	£m	£m										
HOUSING REVENUE ACCOUNT													
Income													
Rental Income	(252.548)	(257.970)	(263.431)	(269.362)	(275.951)	(282.585)	(289.037)	(295.615)	(302.313)	(309.424)	(2,798.236)	(497.963)	(10,826.340)
Voids	4.093	4.043	3.993	3.941	3.843	3.931	4.018	4.105	4.195	4.290	40.452	6.643	149.948
Net Rental Income	(248.455)	(253.927)	(259.438)	(265.421)	(272.108)	(278.654)	(285.019)	(291.510)	(298.118)	(305.134)	(2,757.784)	(491.320)	(10,676.392)
Service Charges / Other Income	(25.299)	(25.801)	(26.326)	(26.775)	(27.237)	(27.585)	(28.008)	(28.498)	(28.926)	(29.363)	(273.818)	(37.554)	(935.502)
Total Revenue Income	(273.754)	(279.728)	(285.764)	(292.196)	(299.345)	(306.239)	(313.027)	(320.008)	(327.044)	(334.497)	(3,031.602)	(528.874)	(11,611.894)
Expenditure													
Repairs	61.697	63.398	64.328	65.196	66.327	67.569	68.579	69.661	70.760	71.906	669.421	99.295	2,379.413
Management	66.796	68.139	67.039	68.662	70.246	71.892	73.775	75.697	77.442	79.230	718.918	123.616	2,726.181
Bad Debt Provision	6.237	5.993	5.809	5.306	5.042	4.699	3.101	3.118	3.136	3.153	45.594	3.589	112.944
Estate Costs	17.926	18.548	18.994	19.451	19.896	20.358	20.889	21.429	21.920	22.423	201.834	35.329	775.976
Capital Financing - Loan Redemption	18.234	11.288	15.642	7.847	8.500	14.625	17.959	24.556	17.436	15.113	151.200	5.954	624.780
Capital Financing - Interest and Other Costs	51.615	50.911	50.651	49.765	48.712	48.231	46.913	45.624	44.685	43.962	481.069	20.935	1,025.883
Contribution to Capital	51.249	61.451	63.301	75.969	80.622	78.865	81.811	79.923	91.665	98.710	763.566	240.156	3,966.717
Total Revenue Expenditure	273.754	279.728	285.764	292.196	299.345	306.239	313.027	320.008	327.044	334.497	3,031.602	528.874	11,611.894
Net (Surplus) / Deficit	0.000	0.000	0.000										
CAPITAL ACCOUNT													
Investment													
Housing Improvement Programme	48.903	57.020	58.947	59.257	60.035	60.464	61.200	61.942	62.689	63.497	593.954	82.560	2,056.468
Redevelopment / Clearance	59.431	58.081	43.826	47.157	27.170	32.900	32.641	32.569	33.973	32.824	400.572	48.775	1,214.048
Sprinklers	15.000	12.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	27.000	0.000	27.000
Adaptations and Other Investment	10.705	4.556	6.941	8.066	9.236	7.263	8.289	6.529	12.100	14.255	87.940	129.796	1,334.284
Total Investment	134.039	131.657	109.714	114.480	96.441	100.627	102.130	101.040	108.762	110.576	1,109.466	261.131	4,631.800
Financing													
Receipts / Grants / Other	(82.790)	(70.206)	(46.413)	(38.511)	(15.819)	(21.762)	(20.319)	(21.117)	(17.097)	(11.866)	(345.900)	(20.975)	(665.081)
Contribution from Revenue	(51.249)	(61.451)	(63.301)	(75.969)	(80.622)	(78.865)	(81.811)	(79.923)	(91.665)	(98.710)	(763.566)	(240.156)	(3,966.719)
Total Expenditure	(134.039)	(131.657)	(109.714)	(114.480)	(96.441)	(100.627)	(102.130)	(101.040)	(108.762)	(110.576)	(1,109.466)	(261.131)	(4,631.800)
Net (Surplus) / Deficit	0.000	0.000	0.000										

APPENDIX L: CAPITAL POLICIES

The following policies support the Capital Strategy in Chapter 7 above.

1. Capital Programme Governance and the Capital Board

- 1.1. 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 a 'Gateway' business case appraisal. This managed approval 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.
- 1.2. Revised or additional capital budgets may be approved by Cabinet, subject to compliance with 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.
- 1.3. Strategic oversight of the capital programme will be managed by the Capital Board, including:
 - development of proposals for the capital strategy, capital planning and prioritisation, prior to executive decision
 - review of business cases prior to executive decision
 - monitoring of the capital programme
 - review of capital governance and processes
- 1.4. CIPFA's Prudential Code and Treasury Management Code have been adopted by the Council.

2. General Principles for Capital Planning

- 2.1. Some general strategic principles underlie the Council's capital planning. These are to:
 - Integrate capital planning into the Council's overall strategic planning over the period of the Long Term Financial Plan
 - Maximise external funding which supports the Council's priorities, and supplement this with the Council's own resources where appropriate
 - Procure the use of capital assets using a robust process for assessing affordability and value for money (the "Gateway" process)

- Work with partners, including the community, businesses and other public bodies, whilst retaining clear lines of accountability and responsibility
- Relate capital resources and planning to asset planning

3. Whole Council Prioritisation of Capital Resources Use

- 3.1. All use of capital resources, including capital receipts, will be prioritised across the Council as a whole in relation to the Council's key priorities. The use of all capital receipts will be prioritised through the Council's corporate financial planning process. All previous capital receipt earmarking policies are discontinued unless covered by specific agreements with third parties (this will not affect existing approved use of capital receipts already identified in the Council's disposals programme or otherwise taken into account in this Financial Plan). It is expected that investment property portfolio asset sales will be reinvested in the portfolio in order to maintain and grow the portfolio income.

4. Capital Receipts and Asset Sales

- 4.1. All land and buildings which are surplus to existing use will be reviewed under Property and Assets Board arrangements, before any executive decision is made, to ensure the re-use or disposal of the asset provides best value in supporting the Council's objectives. The Council's general policy is that assets will be disposed of for cash at the best market value. Exceptions to this policy should be approved by Cabinet.
- 4.2. As a general principle, land no longer required for its existing use should be declared surplus so that options about its future use or sale can be reviewed by the Property and Assets Board before proceeding for formal decision. This includes Board consideration of proposals to appropriate land for a different purpose from its existing use, and proposals to sell land less than best price, to ensure that the best value outcome for the Council is obtained in relation to Council key priorities.

5. Community Asset Transfers

- 5.1. The Council will encourage community engagement in the operation of properties in support of specific key priorities, and may commission community asset transfers where appropriate. Third sector organisations will need to have the capabilities to use the assets to provide agreed services, in accordance with arrangements for Community Asset Transfers (CAT) of property. It is recognised however that sales at less than best price may reduce the capital receipts available to fund other Council needs and policies. Accordingly, proposed land sale discounts including CATs are 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.

6. Prudential Borrowing and Debt

- 6.1. The Council will use borrowing in accordance with the 'Prudential' system as a tool for delivering policy and managing its finances. 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), service priorities like the Library of Birmingham, new wholesale market, rationalisation of service properties, and to support Equal Pay funding.
- 6.2. Prudential borrowing continues to be an important way to fund the Council's own priorities where external funding cannot be obtained. The cost of borrowing is generally recharged to the service concerned, which recognises that borrowing is not free resource, but has a revenue cost.
- 6.3. The Council sets and monitors prudential indicators (including local indicators) to manage its debt exposures. Borrowing costs (including interest and repayment charges) in 2019/20 represent 29.3% of the net revenue budget, or 22.4% of gross income including income from sales, fees, charges and rents. This reflects some growth in the Council's borrowing in recent years, but also reflects the reduction in its income.
- 6.4. In order to ensure that borrowing remains at an affordable and sustainable level, the Council will seek over the medium term to manage its new prudential borrowing for normal service delivery at a level which is close to the amount which it sets aside each year for debt repayment. This will require careful prioritisation of projects reliant on debt finance, which will be carried out as part of the capital prioritisation process outlined above.

APPENDIX M: PROPERTY STRATEGY

Property Strategy 2018/19-2023/24



Vision

"To maximise commercial and social returns through the City Council's property assets, ensuring they act as a catalyst for development and regeneration initiatives to underpin the social fabric of communities across the city"

Approach

"A single 'One-Council' strategy with a long term strategic view across all of our real estate – driving a proactive and joined up approach to the review, rationalisation, improvement and on-going effective management of the property estate___"

Big Moves / Objectives

- Drive greater returns - develop an investment property portfolio run on a commercial basis- delivering medium growth in gross income, including inflation, by 2024
- Catalysts for growth - utilise land and buildings across the portfolio to unlock development and regeneration aligned to the city's key growth areas
- Drive housing delivery - release assets in key locations to support the delivery of 1000's of new homes
- Support communities – encourage a 'Sharing Economy' and 'Capacity Building' through the support of third party organisations to deliver culture, sport, community and neighbourhood activities
- Be operationally efficient - provide a fit for purpose operational property portfolio

Key Facts and Figures - Current

- 26,000 acres of land owned by the Council
- Council owns 40% of municipal area
- 6,500 property assets
- 3000+ tenants
- Property Portfolio asset value of £2.4bn (exc. Housing and Infrastructure)
- £30m capital receipts from sales - average per annum
- £32m revenue income from commercial properties - average per annum
- Need to provide 89,000 homes by 2031
- £7.5m savings from rationalisation of Central Administrative Buildings pa
- Support not for personal profit organisations with property to the value of £2.4m per annum
- Peddimore Industrial Development delivered £350m to local economy including £1m social value

Challenges

Key challenges and constraints:

- Property decisions made locally in the Council - resulting in disjointed delivery
- Decisions based on short term financial lead rather than long term strategic and value capture
- Meeting the City's growth aspirations – addressing housing shortage
- Many of the assets are in very poor condition due to budget cuts over the years – e.g. capital investment
- 80% of the revenue comes from 20% of the 5,900 property interests in the investment portfolio
- Need to expand commercial experience internally
- Operational and community stock is not consolidated to strategic advantage
- 78% of the land owned by the Council is not formally registered
-

Delivery and Governance

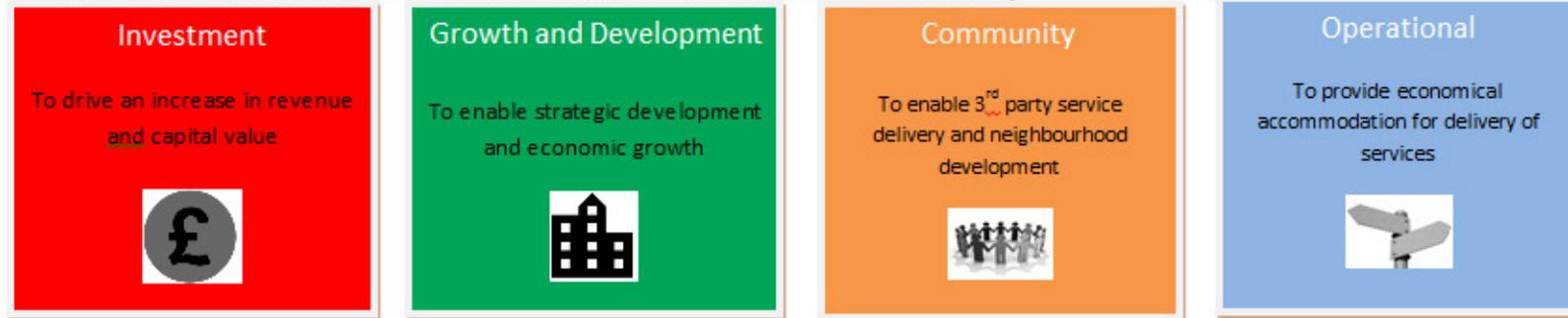
Delivery and Culture Shift

- Encourage culture shift across the Council in relation to property
- Implementation of new future operating model to enable Birmingham Property Services to deliver the Property Strategy long term and identification of short-term extra resource support required
- Build robust data management methods to support realignment of assets and enable performance monitoring
- Undertake individual and cross portfolio Property Asset Reviews
- Develop individual and cross portfolio Asset Management and Delivery Plans

Governance

- Existing Property Asset Board to have sub-boards for Investment, Operational and Community portfolios
- Investment Fund capital to be allocated according to Cabinet approved annual investment property plan
- Service Area investment property budgets to be reviewed and managed to provide joined up decision making regards expenditure

Framework of Sub-Portfolios to Enable Focussed Delivery



Investment

Approach

- Establish an 'Investment' sub-board to the existing Property and Asset Board (PAB) and an 'Investment Property Fund'
- Re-classify the portfolio in line with industry norms to Retail; Industrial; Office; Other
- Asset Management decision matrix / Delivery Plan: cleanse portfolio of assets which are not best investment
- Secure capital receipts to be re-invested in the Portfolio subject to an annual property investment strategy
- Investment framework - target return - security of income - diversification
- Joint Venture partnerships
- Respond promptly to changes in property market

Outcomes

- Grow gross income
- Increase the capital value of the investment assets
- Deliver a net yield in line with appropriate Birmingham property market yields

Growth and Development

Approach

- Establish an 'Operational' sub-committee to the PAB
- Spatial approach - growth areas and SHLAA sites
- Where the City is major landowner – Joint Ventures
- Where the City is minority landowner – disposal / development agreement
- Acquisitions to secure value capture
- Remediation and de-risking
- Pre – development activities to provide infrastructure

Outcomes

- Increase social value
- Job creation
- Delivery of homes
- Sustainability

Community

Approach

- Create a new Community Portfolio of properties which are not let on full commercial terms or have commercial potential.
- Manage existing assets to provide best use
- Establish a 'Community' sub-board to the Property Asset Board
- Commission sports/culture/community partners to deliver local services - building trust in the Council's intentions to attract 'best in class' partner organisations
- Employ cross service area strategic approach

Outcomes

- Reduced need for Council delivered services
- Self-supporting neighbourhoods with ongoing capacity building
- Increased social cohesion – reduction in crime levels

Operational

Approach

- Rationalisation of stock - benchmark tests to include: gross and net property running costs, maintenance backlog, suitability, co-location opportunities, agility rates etc.
- Cross internal and external service area working
- Delivery of a 3 year service asset management plan in line with LTFS
- Delivery of public service hubs
- Integration of third sector service provision
- Integration with One Public Estate

Outcomes

- Deliver a reduction over 3 years in directly managed property in response to budget reductions embedded in the Council's LTFS

APPENDIX N: SERVICE ASSET AND CAPITAL STRATEGIES

1. Adult Social Care

- 1.1. The Directorate's Capital Strategy supports goals set out in the Vision and Strategy approved by Cabinet in October 2017 that adult and older people should be resilient, living independently whenever possible and exercising choice and control so that they can live good quality lives and enjoy good health and wellbeing. In particular it will support citizens to have access to fully integrated health and social care services that help maintain independence and provide care to those who need it.
- 1.2. The Council will work with its partners and citizens to make sure the changes being proposed in this strategy and the wider Financial Plan budget are the right ones and the transition to new ways of working is carried out properly. More integrated services and support should be designed around the city's people to help Birmingham citizens and their families look after themselves - not have to rely on formal care.
- 1.3. The Government's Better Care Fund (BCF) which started on 1 April 2015 is delivering a plan developed with health partners for closer joint working around the care of Older People. Capital resources are included in the overall BCF funding and the Council and partners will continue to identify investment opportunities through the joint governance arrangements. This will particularly assist in transfers from hospital and end of life care.
- 1.4. A major element of the Improvement Plan is developments in the Customer Journey. This will include transferring telephony to the Customer Services Call Centre, investment in scheduling equipment to support constituency delivery off the 1st care conversation, and possible estate costs associated with setting up constituency clinics. Proposals are being developed following Cabinet approval of the Customer Journey strategic approach in October.
- 1.5. The Council's Disabled Facilities Grant scheme is now fully integrated in the BCF capital programme and continues to deliver major adaptations and aids which enable citizens to live independently and safely in their own homes. Additional funding has been provided by Government to help deliver more home adaptations in support of this programme.
- 1.6. The Council will also work with partners, providers, and citizens to invest in opportunities to provide alternatives to residential care such as use of assistive technology, Shared Lives, and supported living.
- 1.7. The Council continues to review directly provided services to ensure that they are the most appropriate way of meeting citizens' needs and are as effective as possible. Improvements to Learning Disability Day Centres will continue and the

Directorate will invest in ensuring that facilities comply with care and health and safety regulations.

- 1.8. The Council currently invests in four care centres which provide health and social care services, both long and short-term and a range of facilities for the local community. The use of these care centres has been used to pilot new services as part of the Early Intervention work through the BCF.
- 1.9. The Adult Social Care Day Opportunities strategy was approved by Cabinet in July 2018. Changes impacting on the current day centre facilities arising from this strategy will be explored - through options appraisal and coproduction. It is expected that the capital investment strategy will be revised based on recommendations that drop out of this work.
- 1.10. Cabinet in July 2017 approved the replacement of the Council's main Social Care ICT system (currently known as CareFirst). The three main scope areas are Adults' Social Care, Children's Social Care including Early Help and finance processes linked to these services. Delivery of the first phase, Children's, is scheduled for March 2019 and the Adults' phase will be completed in 2019/20.
- 1.11. Funding is being provided from a combination of Adults and Children's Services budgets. This re-commissioning and replacement will improve and simplify workflow processes, remove duplication, integrate a number of standalone systems and provide additional facilities. The Care Act 2014 introduced fundamental changes to the working of Adult Social Care and the new system will support the Council's continuing implementation of these changes and improve joint working with citizens and partners. This will be supported by other ICT schemes and where possible, all developments and changes to the ICT systems will be funded through capital resources.
- 1.12. In addition to these specific proposals, the Directorate will also identify opportunities to deliver improved services through the application for and use of specific funding, usually provided through Government Departments or Agencies.

2. Education & Skills

- 2.1. It is the aim of Birmingham City Council to provide a local high quality school place for each of its resident children. The Basic Need programme is an essential part of the Birmingham City Council Plan 2018-22 to 'give all children from every background and community the best start in life with a clear pathway to achieve success and realise their potential'. Having access to a good quality local school place is a key factor in safeguarding, supporting pupil attendance and attainment. Statutory duties and key responsibilities include responsibility for securing sufficient education to meet the needs of the population in Birmingham.

2.2. Education Portfolio Management

Key priorities for the management of the education portfolio are:

- Maximise opportunities to rationalise property holdings to release value for Council priorities as set out in the Capital Budget Proposal 2019 – 2020
- Relocate Access to Education and Special Education Needs and Disability teams to generate the savings identified in the Council's Budget Consultation 2019+
- Review and implement arrangements within the current 4 Private Finance Initiative (PFI) contracts which are in place across 28 schools and settings to generate the savings identified in the Council's Budget Consultation 2019+
- Rationalise the Early Years Estate in line with the Early Years Health and Wellbeing contract and the proposals for BCC Day Nurseries
- Advice and guidance to schools on effective asset management (traded service)
- Provision of new ICT solutions to support SEND, Admissions and transport
- Implementation of Eclipse IT system to replace Carefirst

2.3. Basic Need Capital programme

Birmingham is a growing city with a young population. The Council has a statutory duty to ensure there are sufficient school places for all Birmingham children and young people. In order to meet this duty, it is essential that the Council has a good understanding of the supply of and demand for school places through robust school place planning, accompanied by a Basic Need Strategy that ensures sufficient school places are provided timely to meet local need. To date there have been over 180 school expansions providing over 19,000 additional school places.

Capital grant funding to meet Basic Need requirements is driven from an annual submission of the School Capacity (SCAP) return to the Department for Education (DfE). Birmingham City Council's proposed investment of £123.2m over the next four years for the Basic Need programme covers all school places across mainstream and special schools from the statutory school ages of 4 – 16 and has 4 key strands:

- Make optimum use of existing space, buildings and sites work with all schools through co-ordinated expansion plans
- Allocate annual Basic Need Capital investment effectively and efficiently to areas where basic need requirements can only be met through either re-

modelling, refurbishment or new-build projects, ensuring that the needs of the most vulnerable young people are prioritised and capital projects make best use of existing resources

- Identify alternative funding sources and models

School Place Planning Requirements (Education Sufficiency) continue to be published annually setting out the number and location of new places expected to be required and the changes made in the supply of school places. Whenever possible, additional places to meet Basic Need will be introduced at the start of a phase, for example in Reception and Year 7. However, the unpredictable nature and location of cohort growth means that it is necessary at times to implement reactive Basic Need measures and introduce additional classes during a phase of education in order to meet the statutory duty to provide sufficient places. In the event that the supply of school places exceeds demand in an area to a degree that threatens the sustainability of local provision, the Local Authority will consider temporary or permanent decommissioning of places in order to support a sustainable, high quality local offer.

2.4. **Schools Condition Allocation (SCA)**

Department for Education (DfE) annual School Condition Allocation grant funding is awarded to the Local Authority (LA) for the purposes of addressing maintenance issues across the LA maintained schools estate only. In total there are 445 schools with the LA being directly responsible for the maintenance of 197 of them. The total sum required to deal with the backlog maintenance issues is in excess of £120m.

An annual School Condition Allocation of £10.2m was awarded by DfE for the year 2018 /19 together with a one-off £0.8m Healthy Pupils Capital Fund. Allocations for 2019/20 are yet to be confirmed. The School Condition Programme aims to address key priority condition items across all Local Authority Maintained schools by allocating the available School Condition grant funding to address highest priority condition need.

The key criterion for prioritisation of planned and unscheduled maintenance projects is to ensure continuity of education in a safe environment. This criterion also applies to projects considered under the dual funding initiative. In essence, priorities are:

- Condition issues that are most likely to lead to school closures
- Condition issues that pose Health and Safety risks
- Condition issues that must be addressed in order to fulfil statutory compliance obligations

There is a substantial gap between the funding available and the condition need across the estate. Expectations of schools and stakeholders will therefore need to be managed due to the ongoing shortfall of funding against condition need.

In addition to a direct School Condition Grant to the Local Authority, the ESFA allocates individual devolved formula capital funds to every school. The Local Authority cannot control how this funding is spent. However, dual funding initiative provides schools with the opportunity to apply for additional funding to address key building related priorities. It encourages schools to direct the spending of their devolved formula capital to address condition priorities and will thereby increase the level of investment into the condition of school buildings.

There will also be a continued emphasis on maximising schools' contributions to planned and emergency capital maintenance works, particularly where schools are holding surplus balances or where the ongoing burden on the school of 'patch and repair' can be reduced by a jointly funded project to address the root cause of the condition issue.

The key work streams in the School Condition Programme can be summarised as:

- Centrally Managed Planned School Condition Programme (condition issues most likely to lead to school closure)
- Emergency unscheduled repairs to prevent school closures
- Dual Funding initiative
- Structural failures
- Distribution of Healthy Pupils Capital fund to Community, Foundation and Voluntary Controlled schools

Aligning maintenance with other capital initiatives such as government led Priority Schools Building Programme, Basic Need Programme, Schools Energy Efficiency Programme has enabled the replacement of some of the very poor parts of the schools estate. Aspirations are to have wholesale elemental-led replacement programmes (such as boilers, roofs, windows etc.). There are also schools that are reaching end of life which may need to be demolished and rebuilt (currently awaiting the outcome of a full condition survey for Turves Green Girls School, Skilts and Hunters Hill Special Schools). We do not receive sufficient SCA to cover the cost of replacing a school in its entirety.

3. Inclusive Growth

Strategic Context

- 3.1. The strategy for the Directorate underpins key corporate outcomes, highlighting the investment required to support the delivery of the Council's significant economic agenda. The main objectives are to:
- Deliver sustainable inclusive economic growth to meet the needs of the population through transformational change in the city centre and key areas of growth, and to develop the city as a series of neighbourhoods that are safe, diverse and inclusive with locally distinctive character
 - Create the conditions for a strong and prosperous inclusive economy built around a diverse base of economic activities with benefits felt by all
 - Increase the city's economic output and productivity through the expansion of key growth sectors, greater enterprise and innovation in high value added activity
 - Provide high quality infrastructure to support improved local and regional connectivity and accessibility, enhance global competitiveness and underpin future economic and population growth
 - Increase employment and reduce poverty across all communities to support people from welfare to work
 - Provide enough high quality new homes to meet the needs of a growing city
 - Create a vibrant low carbon, low waste economy through the best use of environmental technologies, and ensure that Birmingham is prepared for the impact of climate change which includes addressing air quality
 - Ensure that the Council is able to deliver and support all of its objectives through the most efficient use of technology
- 3.2. The Directorate works with other parts of the Council along with public and private sector partners to develop an integrated approach to investment to deliver growth. This includes working with the West Midlands Combined Authority (WMCA) and the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) to access and utilise available funding.
- 3.3. This capital strategy is conscious of emerging financial pressures on projects. Cost increases are being experienced in construction and development supply chains. Strategies have been put in place to secure further external resources and rephase projects, to enable current projects to be completed without compromising inclusion, economic growth or the generation of Business Rates.
- 3.4. The Directorate supported the WMCA in securing £165m of funding from Government to support the delivery of the Commonwealth Games Village in

Perry Barr and associated infrastructure works and secured a further £20m from the WMCA land remediation fund.

A series of major initiatives are led by the Directorate:

- 3.5. The Council is working in partnership with the GBSLEP to deliver the Enterprise Zone (EZ) initiative. The EZ covers 39 sites across the city centre and is focused on accelerating development through funding the upfront investment in infrastructure and de-risking sites. The EZ currently has two investment plans. The first is a 10 year Investment Plan totalling £275m capital and revenue that was approved in 2014. Under government rules on EZs, any uplift in the Business Rates collected within the EZ boundaries is ring-fenced for a period for the use and direction of the LEP. The 2014 Investment Plan sets out how this uplift will be used to deliver the first phase of investment in infrastructure to unlock development and growth in the City Centre EZ. The Council considers borrowing to fund EZ investment where the revenue costs are supported by Business Rates uplift, in accordance with the EZ financial principles agreed with GBSLEP and its own borrowing policy. A series of projects which commenced in previous years, continue to be progressed within the Directorate with EZ funding including the ongoing redevelopments at Paradise Circus, Birmingham Smithfield, the extension of the Midland Metro tram network to Westside and the redesign of Centenary Square. The Paradise Development will receive an additional £51.3m of EZ funding to complete Phase 2 of the scheme and maintain momentum of delivering this important strategic site.
- 3.6. The Curzon Investment Plan is an extension of the EZ and was approved by Cabinet in September 2016. It sets out proposals for investment between 2016/17 to 2045/46 to maximise the economic impact of HS2 in the city centre and beyond. It focuses over £550m of additional EZ resources to projects including integrating the HS2 station with public realm and public transport improvements; enabling works to unlock development sites and wider environmental improvements to attract inward investment.
- 3.7. In addition to EZ funding, the Metro Extension to Digbeth will also be funded from the Department for Transport (DfT) through the WMCA.
- 3.8. Curzon commitments within the EZ Programme include a further contribution towards the cost of the Metro Extension from Birmingham to the HS2 Interchange, subject to a full business case and availability of match funding.
- 3.9. The prudential borrowing costs arising from these investments will be funded through the uplift in Business Rates income. The revised EZ programme, inclusive of current commitments, the Curzon programme and the Metro Interchange Extension contribution is considered affordable based on the expected and additional income levels that the EZ will generate over the lifetime of the zone. A consolidated EZ Investment Plan will be brought forward in 2019

bringing together the 2014 and 2016 plans to create a comprehensive phased programme of investment for the EZ covering the period 2018 to 2028.

- 3.10. GBSLEP Local Growth Fund (LGF) was approved for the delivery of a £9m LEP wide programme for grants, loans and equity to unlock housing sites. This programme is underway and over £6m has already been allocated to support housing delivery.
- 3.11. The Directorate is leading on the delivery of the Commonwealth Games Village in Perry Barr which will be home to 6,500 athletes during the Commonwealth Games in 2022 and will provide 1,400 permanent new homes post games. Demolition and remediation of the site is now well progressed and Lendlease have been appointed as the principal contractor to lead on the delivery of the village. Construction of the residential element will begin in February 2019.

Business Enterprise and Innovation

- 3.12. The Business Enterprise and Innovation (BEI) programme is proactivity involved in the development of the new growth of existing local SME's (small and medium- sized enterprises). Based upon the success of the previous £33m ERDF funded Business Growth Programme (BGP), further funding from Government has been secured for two new programmes, which will run for three years:
 - £23.5m BGP2: starting in January 2019 and running to March 2022 across GBSLEP and Marches LEP areas. This will strengthen supply chain companies, stimulates innovation and enables the SMEs to grow
 - £12m Skills Fund will also be launched, upskilling 7,030 new and existing employees within SMEs across the GBSLEP area

Transportation & Connectivity

- 3.13. The city's transport network enables the movement of people, goods and materials around Birmingham and affects all those who live, work and visit the city. The Council's 20 year transport plan, Birmingham Connected, complemented by the WMCA Strategic Transport Plan - Movement for Growth, aims to support, influence and nurture the growth of the city through a holistic and coordinated view of transport, land use planning, regeneration and environmental issues. The Council also aims to improve transport infrastructure and networks, tackle congestion, improve air quality and road safety and encourage the use of sustainable modes and increase the range of low carbon transport options available to all citizens and road users.
- 3.14. The strategy continues to support the delivery of major capital projects including the High Speed (HS2) rail link between Birmingham and London with two

significant stations in Birmingham and Solihull, a HS2 Connectivity Package including bus rapid transit, metro extension, and public transport priorities and walking and cycling. These support major developments and growth zones including those contained within the Birmingham Development Plan. This will further be enhanced with the emerging priorities of Midlands Connect on strategic regional and national rail and road corridors.

- 3.15. In addition to the Integrated Transport Block (ITB) resources (confirmed within the £5.2m allocation in 2018/19, 2019/20 and 2020/21) the Council continues to explore opportunities to secure additional Government funding to support this strategy. Other funding opportunities are also actively pursued to continue to deliver on Council ambitions such as:
- Clean Air Zone (CAZ) delivery funds from government and utilisation of income stream from charges
 - Further rounds of WMCA devolved funding including Transforming Cities Fund (TCF) and LGF developed to complement transport requirements with unlocking significant development sites for employment and housing to meet the city's demand
 - Best use of EZ resources to provide the necessary infrastructure connecting communities with key sites to enable opportunities to be maximised
 - Funding bids to subsequent rounds of the National Productivity Investment Fund (NPIF)
 - Funding bids to HS2, Highways England and through Midlands connect to support growth related infrastructure including on the emerging Major Road Network (MRN)

Major Development Projects

- 3.16. A key priority is the identification of pump prime funding whether geared to site assembly, site preparation or marketing. The nature of these schemes means that it can take some years to come to fruition and before a return on the investment can be seen. The Council is using its current land holdings to create development opportunities and enable delivery of major projects. Examples include:
- 3.17. Birmingham Smithfield - the wholesale markets site in the city centre will become the site of the Birmingham Smithfield redevelopment. This is one of the largest single public ownership city centre redevelopment sites in Europe and the Council is currently seeking a development partner to work in partnership to deliver a major mixed use development. The preferred bidder was announced in January 2019 and the Council is working toward forming a contractual Joint Venture.

- 3.18. The Paradise Development - currently underway with the first office building nearing completion, will see the expansion of the city centre office core. The project is a Joint Venture between the Council and the Britel Fund Trustees Limited (as trustee of the Britel Fund Unit Trust).
- 3.19. The Peddimore Development – IM Properties have been appointed to lead on the delivery of Phase 1 of the 71 hectare industrial scheme and a planning application will be submitted in January 2019. Construction is due to commence later this year. The Council still retains a significant land holding in Phase 2 which will be made ready for development as part of the Phase 1 works.

Housing Delivery

- 3.20. The Council is the major provider of new homes in the city through its Birmingham Municipal Housing Trust (BMHT) and InReach programmes.. Each year it completes between 400 and 500 new homes through these programmes, making the Council the largest housing developer in the city. Since 2010, the Council has completed over 3,000 new homes across all major tenures – social and affordable rent, open market sale, and private rent. The BMHT forward programme projects the completion of 2,000 more homes over the next 4 years, and a further 350 through InReach.

Highways and Infrastructure

- 3.21. Work continues to develop the major scheme business case for strengthening works to the A38 (M) Tame Valley Viaduct with a maximum LGF contribution over the life of the project of £72m. This project is subject to DfT evaluation and approval. This is to be supplemented by a total Council contribution in the region of £20m, with a funding strategy being developed.
- 3.22. Work also continues on the development and delivery of a number of key projects targeted at supporting inclusive economic growth including Dudley Road, Iron Lane and Longbridge Connectivity that are largely funded through LGF. Further programmes covering walking and cycling, measures to tackle congestion and minor schemes to support local communities form part of the overall Transportation and Highways Funding Strategy
- 3.23. The Transportation and Highways Capital Funding Strategy includes the re-use of revenue streams from on street enforcement activities (Bus Lanes) in accordance with the relevant legislation, ensuring that there is transparency on where and how this income is being invested.
- 3.24. A significant level of capital investment in the Highway Network has been completed as part of the Highways Maintenance PFI contract with Amey. This provides for highway, street lighting and other street furniture investment at an overall cost of £2.7bn over the 25 year period of the contract to June 2035.

- 3.25. The Highways Service will support the development of transport infrastructure through the implementation of capital programmes of minor improvements and enhancements at a local level in order to promote road safety, local accessibility and social inclusion.

Property Overview

- 3.26. The Property Strategy is outlined in Appendix M.

4. Neighbourhoods

Strategic Context

- 4.1. The Place capital strategy covers a diverse range of assets and services, each with their own characteristics and strategic drivers for investment. The different elements are each set within the context of a number of Strategic Plans, including the Waste Management Strategy, Sports Facilities Strategy, Homelessness Prevention Strategy, HRA Business Plan, Housing Plan, Private Sector Housing Strategy and Planning for Housing in Later Life, taking account of the limited resources available.
- 4.2. Whilst the overall strategy is focused around the delivery of service outcomes for residents, some elements are delivered locally on an Area or Neighbourhood basis whereas other elements form part of a city wide approach. The Key service areas are considered below.

Waste Management

- 4.3. The Key focus of the service's Strategy is to minimise waste, meet challenging recycling targets and minimise landfill within the context of a drive towards more sustainable disposal methods with a modernised service delivery model and underpinned by the developing Waste Strategy.
- 4.4. The focus of the service is to develop the capital strategy to support the delivery of a modern service able to meet the targets for waste minimisation and recycling and the capacity to meet expected increases in population and households. The key components of the capital strategy relate to the refurbishment of the Energy from Waste (EfW) facility aligned to the 5 year Interim Arrangement Agreement for Waste Disposal Contract (this investment will ensure in particular that the operational life of the current Tyseley Plant can be extended for up to 15 years beyond 2019), developing a depot provision to meet future needs, upgrading the current household recycling centres/waste transfer stations and IT development solutions to support modern operations. In addition, the capital strategy will include consideration of a vehicle replacement programme to support a modernised service across Waste Management and Street Cleansing.

Local Service Assets

- 4.5. The effective use of local service assets is essential to the delivery of efficient services across the City Council.
- 4.6. The City Council provides a number of community libraries, adult education, advice and youth centres which support the localisation agenda. This asset base continues to be under review along with other service assets in order to maximise opportunities for providing core services through co-location and partnership with other agencies, whilst generating significant savings. Assets have been rationalised to reflect the re-structure of services, notably in the case of Neighbourhood Offices, adult education and community libraries, and the review of assets will continue to reflect changes in service delivery models.

Birmingham Adult Education Service

- 4.7. The provision of modern high quality learning environments is essential to the delivery of adult education. The classrooms must be of a good standard and be equipped with up-to-date IT facilities. Safety measures must be in place to check all who enter the premises and to safeguard learners whilst online.
- 4.8. The assets are always under review to ensure provision is targeted in areas of most need and following the priorities set by the City Council and the West Midlands Combined Authority. Adult Education also works in partnership with other City Council functions, for example libraries, and external organisations to maximise the spread of its delivery and be cost-effective.

Parks and Nature Conservation

- 4.9. The investment will continue to be focused on essential improvements to ensure health and safety standards, including pools and reservoirs (reflecting guidance and recommendations from the Environment Agency). The service will seek to maximise external funding and generate income where possible in order to reinvest in the service where appropriate.
- 4.10. In addition, to support the insourcing of the grounds maintenance contracts and the ongoing work of Birmingham Parks and Nurseries (BPN) new replacement equipment and vehicles are required to deliver the service for the next 5 year cycle.
- 4.11. Expenditure planned in 19/20 to 2020/21 amounts to £18.7m.

Sport and Leisure

- 4.12. The City Council provides a range of sporting and leisure facilities. The strategy focuses on improving the national profile of the city as well as providing accessible facilities to help residents maintain a healthy lifestyle.
- 4.13. The City Council embarked on a major programme to transform the Sport and Physical Activity service, approved by Cabinet on 16th December 2013. The strategic outcome includes a mixed economy for delivery, including asset transfer, new wet (pool) and dry facilities, management through external contractors and the establishment of a Wellbeing Service that includes retaining facilities in deprived areas as well as outreach provision in parks, open spaces and community settings.
- 4.14. The framework contract for the construction, management and operation of Sparkhill Pool is in place and the new facility opened in June 2017. A further two framework contracts are in place to enable the construction, management and operation of four leisure centres and transfer of five existing facilities to a private operator (the contracts include refurbishment works at the five transferred facilities). These contracts commenced in June 2015 and the refurbishment of the five existing sites is nearing completion. The new leisure centre in Erdington opened during 2017 and facilities at Northfield and Stechford were completed in 2018. The construction of the brand new facility at Icknield Port Loop is scheduled to open in September 2019

Housing Options

- 4.15. The Housing Options service continues to experience unprecedented demand for temporary accommodation (anticipated to continue following the enactment of the Homelessness Reduction Act - 2018), which is met from a combination of City Council owned properties, properties leased from private sector landlords and bed & breakfast (B&B) accommodation. In order to minimise reliance on more expensive and unsatisfactory B&B accommodation, the service continues to investigate all options, including temporarily bringing HRA properties back into use for temporary accommodation.

Private Sector Housing

- 4.16. Interventions are limited due to funding constraints since the cessation of Government funding for private sector decent homes delivery in 2011. The remaining areas of activity are focused on bringing empty properties back into use and the support to the provision of high quality private rented sector housing through the City Council's wholly owned company, InReach Limited.
- 4.17. Bringing long-term empty homes back into use remains an important programme both to increase housing supply, and to improve neighbourhoods. In almost 90%

of cases, it is possible to persuade property owners to return their properties to use without the need for direct intervention, but acquisitions through the Empty Property Strategy will continue on a self-funding basis, utilising a revolving capital fund of £0.5m.

Council Housing

- 4.18. The capital strategy for council housing forms an integral part of the HRA Business Plan, which sets out, over a 30 year period, plans for revenue and capital income and expenditure relating to HRA properties to ensure that council housing is maintained over the long term. The HRA Business Plan is explained in more detail in Chapter 5.
- 4.19. The HRA Capital Strategy has a dual focus, both on maintaining existing properties (including any structural works needed to the fabric of the buildings) and on a programme of new house building to replace obsolete and non-viable stock including the regeneration of Kings Norton, Meadway, Yardley Brook, Abbey Fields, Perry Common and Druids Heath.
- 4.20. The asset management strategy to support this overall Capital Strategy includes investment of £489.9m between 2019/20 and 2022/23, directed towards:
 - Continued capital investment to maintain properties in their current improved condition (renewal of key property elements based on life cycles)
 - Provision of fire prevention measures, including sprinklers to tower blocks, with the total cost of the sprinkler programme to 2020/21 estimated at £31m
 - Provision of new affordable housing as part of an investment of £346m for 1,866 new homes for rent over the coming 10 year HRA Business Plan period
 - Clearance of obsolete housing – resources of £54m to fund the demolition of approximately 1,540 properties and associated site assembly over the coming 10 year period
 - Continued investment in the provision of adaptations in properties for the benefit of council tenants

5. Digital & Customer Services

Information, Technology & Digital Services

- 5.1. The Council's Information Communications Technology and Digital (ICT&D) Strategy (2016-2021) as approved by Cabinet on the 18 October 2016, guides the use, maintenance and development of the Council's ICT assets beyond the end of the existing Capita contract. It incorporates six key themes:

- Integrated ICT & Digital Services
- Commissioning
- Digital Facilitation
- Governance
- Insight
- Innovation

5.2. In support of the ICT&D Strategy the Technical Refresh and Improvement Plan (TRIP) approved a capital profile/provision for three strategic phases in financial years 2016/17 – 2020/21.

5.3. As part of the negotiations with Capita regarding the Service Birmingham Joint Venture the capital monies allocated by Cabinet in 2016 have been re-profiled to ensure they deliver better return on the investment while supporting the Council's objectives around the better use of information, technology and digital services to deliver the Council of the Future. The ending of the Council involvement in the Service Birmingham Joint Venture was agreed by Cabinet in November 2017, and a transition plan was agreed by Cabinet in March 2018. Work is continuing to implement this plan.

6. Commonwealth Games

6.1. Commonwealth Games draft plans are set out in Chapter 6, subject to announcement of the Games budget by the Government.

APPENDIX O: TREASURY MANAGEMENT STRATEGY

1. Summary

- 1.1. This appendix sets out the proposed Treasury Management Strategy for 2019/20 given the interest rate outlook and the Council's treasury needs for the year, and in accordance with the Treasury Management Policy at Appendix P.
- 1.2. A balanced strategy is proposed which continues to maintain a significant short-term and variable rate loan debt in order to benefit from relatively low short-term interest rates, whilst taking some fixed rate borrowing to maintain an appropriate balance between the risks of fixed rate and short-term or variable rate borrowing. The balance between short- and long-term funding will be kept under review by the Chief Finance Officer, and will be maintained within the prudential limit for variable rate exposures.
- 1.3. Separate loans portfolios are maintained for the General Fund and the HRA. Separate treasury strategies are therefore set out below where relevant.²

2. Treasury Management Policy and Objectives

- 2.1. The Treasury Management Policy (Appendix P) 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 funds to the risk of loss.
- 2.3. These objectives must be implemented flexibly in the light of changing market circumstances.

3. Council Borrowing Requirement

- 3.1. Table O.1 shows the amount of new borrowing required to be obtained in each of the next four years, taking account of the proposals in this Financial Plan and Budget and the amount of existing loans which are repaid and need replacement:

² 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 this Financial Plan, debt and investments are expressed at nominal value, which may be different from the valuation basis used in the statutory accounts.

Table O.1 Forecast Borrowing Requirement

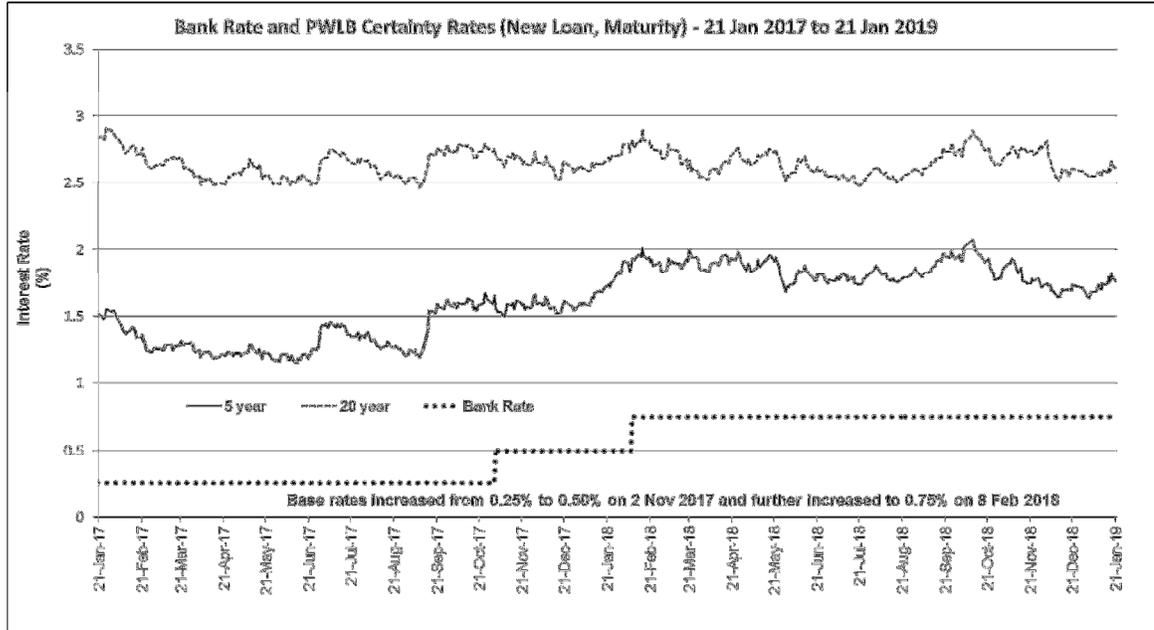
	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Forecast gross loan debt	3,572.7	3,761.8	3,911.3	3,838.9
Forecast treasury investments	(40.0)	(40.0)	(40.0)	(40.0)
Forecast net loan debt	<u>3,532.7</u>	<u>3,721.8</u>	<u>3,871.3</u>	<u>3,798.9</u>
of which:				
existing long term loans outstanding	2,796.2	2,759.4	2,734.3	2,684.3
Short term investments working balance	(40.0)	(40.0)	(40.0)	(40.0)
Required new/ replacement loan balance	<u>776.5</u>	<u>1,002.4</u>	<u>1,177.0</u>	<u>1,154.6</u>
	<u>3,532.7</u>	<u>3,721.8</u>	<u>3,871.3</u>	<u>3,798.9</u>

- 3.2. This strategy sets out how the Council plans to obtain the required new borrowing shown above.
- 3.3. The Council has £101.1m of Lender's Option Borrower's Option (LOBO) loans outstanding. In these loans, the lender has the right to increase the interest rate at certain dates during the loan term, and in this event the Council has the right to repay the loan immediately without penalty. £41.1m of the loans have the potential to be exercised during 2019/20. This would increase the Council's required loan refinancing needs, but it is considered unlikely that it would happen in the current market environment.

4. Interest Rate and Credit Outlook

- 4.1. The UK interest rate outlook is heavily dependent on international and domestic economic and political developments. Internationally, many commentators expect the USA to lead a period of weakening economic growth with a risk of recession. Growth is also expected to slow in the UK, even assuming an orderly Brexit deal. UK consumer price inflation stood at 2.1% in December 2018. Considerable uncertainty exists about the impact of Brexit on the UK economy.
- 4.2. The UK bank rate rose to 0.75% in August 2018, and the Bank of England expects that, if economic growth continues as forecast, further increases will be required to return inflation to its 2% target. Any increases are however expected to be limited, and this treasury budget prudently assumes a rise to 1.25% by the end of 2019/20.
- 4.3. Long-term rates (in particular, UK government borrowing rates or gilts) are forecast to remain close to current levels. These remain historically extremely low, as shown by the rates offered by the Public Works Loans Board (PWLB), which is the main source of borrowing for local authorities:

Figure O.2



Falling inflation, lower growth and uncertainty about the economic effect of Brexit seem likely to keep any increase in UK long-term rates relatively modest.

4.4. The Council's interest rate assumptions are informed by the views of Arlingclose (the Council's treasury advisers) and other commentators.

4.5. Upside risks to UK interest rates in 2019/20 include the following:

- Higher than expected economic growth
- Higher than expected inflation rates
- Indications of a relatively close relationship with the EU post-Brexit

Downward risks to UK interest rates include:

- World and UK growth falters
- Hard Brexit or no deal
- Safe haven investment flows into the UK as a result of international political or other troubles

4.6. In relation to credit risk, the Bank of England's latest bank stress tests showed that all the included financial institutions passed the test, and no banks were asked to raise additional capital. The four largest UK banking groups have now

split their retail and investment banking operations into two arms, with the ring-fenced retail banks generally showing better credit ratings.

5. Sources of Borrowing

- 5.1. The Council is able to meet all of its long-term borrowing plans from the PWLB at its 'certainty rate' at approximately 0.8% above gilt yields.
- 5.2. The Council actively reviews market developments and will seek to use and develop other funding solutions if better value may be delivered. This may include other sources of long-term borrowing if the terms are suitable, including listed and private placements, bilateral loans from banks, local authorities or others, Islamic forms of finance and sale and leaseback arrangements.
- 5.3. Short-term borrowing is available largely from other local authorities. This may be supplemented with borrowing from other sources such as banks, or in different forms.

6. 2019/20 Treasury Management Strategy: HRA and General Fund

- 6.1. The HRA inherited a largely long-term fixed rate debt portfolio at the start of the current HRA finance system in 2012, and its debt was capped in accordance with statutory HRA debt limits, but HRA debt caps have recently been removed. For the next three years from 2019/20, its debt reduces slightly in line with the current HRA Business Plan. No new long-term borrowing for the HRA is therefore currently planned.
- 6.2. For the General Fund, it is proposed to continue a balanced strategy which maintains a significant short-term and variable rate loan debt in order to benefit from current low short-term rates. Long-term fixed rate borrowing may be taken to manage or reduce the Council's exposure to increases in short-term and variable interest rates, given a context in which long-term borrowing costs seem likely to remain relatively low. A short-term and variable rate debt of up to around £500m to £600m has been assumed for budgeting purposes, with the balance being borrowed long-term (i.e. for periods of one year or more). This results in forecast new long-term borrowing of £225m in 2019/20. However, 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 strongly than currently forecast. A higher level of long-term borrowing may be taken if appropriate to protect future years' borrowing costs.

Short-term and variable rate exposures remain within the 30% prudential limit set out in Appendix V4.

- 6.3. 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 O.3 Proposed borrowing strategy

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
cumulative new borrowing:				
total long term loans	225.0	460.0	597.0	659.0
new short term loans	551.5	542.4	580.0	495.6
Required new/ replacement loan balance	776.5	1,002.4	1,177.0	1,154.6

- 6.4. The £225m new long-term borrowing forecast for 2019/20 is planned to be taken at a spread of maturities appropriate to the Council's long-term debt liability profile.
- 6.5. The General Fund and HRA exposures to short-term and variable interest rates in accordance with the strategy are as follows:

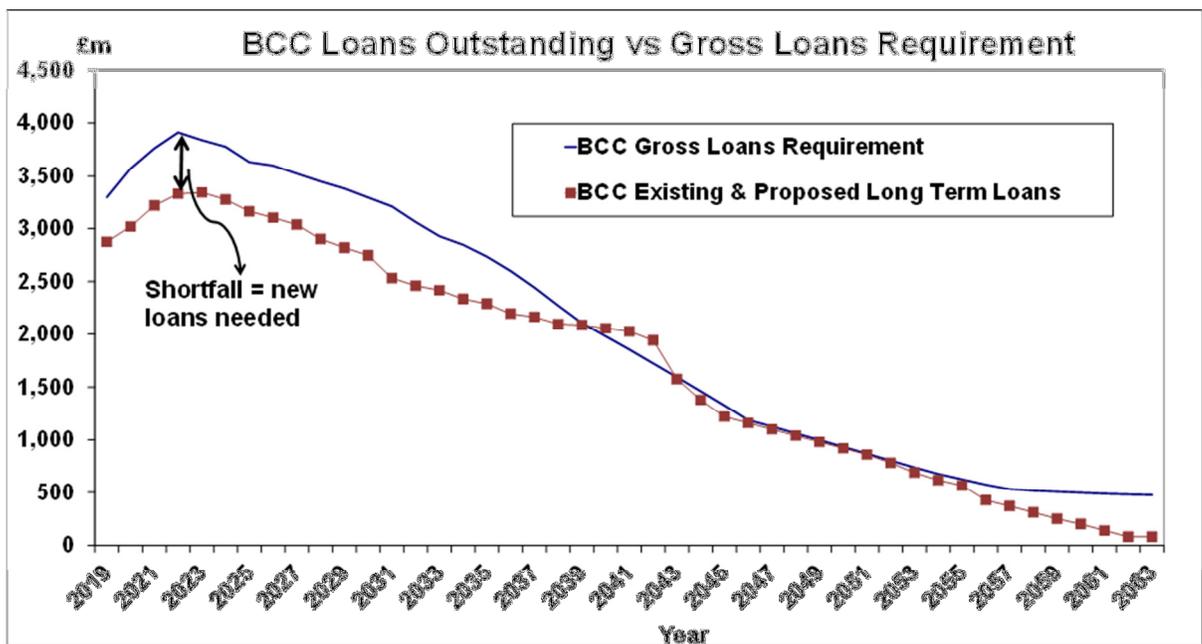
Table O.4 Forecast Variable Rate Exposure based on the proposed borrowing strategy

<i>(taking account of debt maturities and proposed long term borrowing)</i>	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Housing Revenue Account				
Year end net exposure to variable rates	31.8	31.9	30.4	24.4
Closing HRA net loan debt	969.5	960.7	941.3	928.1
Variable exposure % of debt	3.3%	3.3%	3.2%	2.6%
General Fund				
Year end net exposure to variable rates	516.4	495.6	1019.5	658.3
Closing General Fund net loan debt	2,563.1	2,761.1	2,929.9	2,870.8
Variable exposure % of debt	20.1%	17.9%	34.8%	22.9%
Year end variable interest rate assumption provided for in the budget	1.25%	2.00%	2.50%	2.50%

Note: the variable rate figures above include long-term loans with less than a year to maturity. Potential repayment option calls on LOBO loans are excluded, as none of which are expected in this period.

- 6.6. The variable rate exposure means that a 1% rise in variable rates at the end of 2019/20 would cost an estimated £5.2m per annum for the General Fund and £0.3m per annum for the HRA. However, the budget provides for a potential increase in variable rates (as shown above), which is considered to be prudent in this context.
- 6.7. This strategy therefore acknowledges the risk that maintaining a significant short-term and variable rate loan debt may result in increasing borrowing costs in the longer term, but balances this against the savings arising from cheaper variable interest rates. The Chief Finance Officer will keep the strategy under close review during the year, in the light of the Council's financial position and the outlook for interest rates.
- 6.8. The Council's existing and proposed long-term loans outstanding, as set out in this strategy, can be compared with the required level of loan debt as follows:

Figure O.5



- 6.9. The Gross Loans Requirement in Table O.5 is the level of outstanding debt required in this Financial Plan. It takes account of existing loans outstanding plus planned prudential borrowing, and reduces over time as a result of minimum repayment provision for debt (MRP). The difference between required loan debt and actual long-term loans outstanding represents forecast short-term borrowing or investments. The loans requirement represents a liability benchmark which guides treasury management long-term borrowing activity.
- 6.10. The shortfall shown in the chart is planned to be met by a short-term loans portfolio of around £500m in accordance with current strategy.

- 6.11. The Treasury Management Prudential Limits and Indicators consistent with the above strategy are set out in Appendix V, including a summary loan debt maturity profile.
- 6.12. The Treasury Management Strategy must be flexible to adapt to changing risks and circumstances. The strategy will be kept under review by the Chief Finance Officer in accordance with treasury management delegations.

7. Treasury Management Revenue Budget

- 7.1. Based on this strategy the proposed budget figures are as follows:

Table O.6 - Treasury Management Revenue Budget

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Net interest costs	134.353	141.919	145.162	144.012
Revenue charge for loan debt repayment	152.472	141.492	146.951	131.337
Other charges	(14.652)	(1.151)	(1.255)	(1.345)
Total	272.173	282.260	290.858	274.004
Met by the HRA	71.770	63.632	67.126	57.973
Met by the General Fund	200.403	218.628	223.732	216.031
Total	272.173	282.260	290.858	274.004

- 7.2. The budgeted interest costs in each year reflects a prudent view of borrowing costs and the cost of the additional borrowing in this Financial Plan. 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.

8. Investment Strategy

- 8.1. 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. A month end investment balance of £40m in deposits, which are close to instant access, is targeted in order to maintain adequate liquidity to meet uncertain cashflows. Any such surplus cash is invested in high credit quality institutions and pooled investment funds. Money Market pooled funds 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 top quality institutions and spreading the risk more widely.

- 8.2. 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.

9. Other Treasury Management Exposures and Activities

- 9.1. 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 is reflected in the Council's own debt and is managed as part of treasury activity.
- 9.2. The Council has provided guarantees in respect of staff TUPE'd to external bodies and who have retained membership of the Local Government Pension Scheme (LGPS) to the West Midlands Pension Fund for pension deficits and to some of the external bodies in respect of changes to contribution rates. To minimise the risks to the Council, external bodies may be required to take out a bond, payable on any default. The assessed residual risk has been recognised in the Council's financial statements.
- 9.3. 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.
- 9.4. The Council participates in other joint ventures and companies. The Council may give letters of assurance in support of these activities and any assessed risk is accounted for in the Council's financial statements. The Treasury Management team also maintains a group Treasury Policy for group entities with significant investment balances.

10. Advisers

- 10.1. Arlingclose have been 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 transactions involved and the pressures on staff time.

11. Prudential Indicators for Treasury Management

- 11.1. The Council is required under the Local Government Act 2003 and the CIPFA Treasury Management Code to set various Prudential Indicators for treasury management. These are presented in Appendix V4.

APPENDIX P: TREASURY MANAGEMENT POLICY

1. Overview

This appendix sets out the Council's proposed Treasury Management Policy. This 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 Strategy at Appendix O, and the Service and Commercial Investment Strategy at Appendix Q, 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 (revised December 2017)
- CIPFA's Prudential Code for Local Authority Capital Finance (revised December 2017)
- The Government Guidance on Local Authority Investments (revised 2 February 2018)

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, 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.³

Attitude to 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

³ Paragraphs 3.1, 3.2, 3.6 and the final sentence of 4.3 are required by the CIPFA Treasury Management Code

significant part of the Council's revenue budget. The Council's objectives in relation to debt and investment can accordingly be stated more specifically as follows:

"To assist the achievement of the City Council's service objectives by obtaining funding and managing the City 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
- 3.5. The Treasury Management Team has capability 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, 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 Risks⁴

Interest Rate Exposures

- 4.1. The stability of the Council's interest costs is affected by the amount of borrowing exposed to short-term or variable interest rates. However, short-term interest rates are often lower, so there can be a trade-off between achieving the lowest rates in the short-term and in the long-term, and between short-term savings and long-term budget stability. The Council will therefore have regard to short and long-term implications, and will manage the long-term debt maturity profile so that not too much fixed rate debt will mature in any year. The following limits are proposed (in the format required by the CIPFA Prudential Code):

Table P.1 Prudential Limits - Interest Rate Exposure

	% of loan debt (net of investments):		
	2018/19	2019/20	2020/21
upper limit on net fixed rate exposures	130%	130%	130%
upper limit on net variable rate exposures	30%	30%	30%

The currently planned variable rate exposure is set out in the Treasury Management Strategy.

Maturity Profile

- 4.2. The Council will have regard to forecast Net 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:

⁴ Throughout this Financial Plan, debt and investments are expressed at nominal value, which may be different from the amortised cost value required in the statutory accounts.

Table P.2 Prudential Limits - Maturity Structure of Fixed Rate Borrowing

	lower and upper limits:
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%

Policy for Borrowing in Advance of Need

- 4.3. Government investment guidance expects local authorities to have a policy for borrowing in advance of need, in part because of the credit risk of investing the surplus cash. The Council's policy is to borrow to meet its forecast Net Loan Debt, including an allowance (currently of £40m) for liquidity risks. 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 forecast capital programme, to replace maturing loans, or to meet other expected cashflows.
- 4.4. 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. The Council considers all its treasury risks together, taking account of the investment risks which arise from decisions to borrow in advance. 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. This will be a matter of treasury judgement at the time, within the constraints of this policy, and treasury management delegations.

5. Investment Policy: All Investments

- 5.1. The revised 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

The Government issued revised investment guidance on 2 February 2018, which strengthens the management and reporting framework relating to commercial and service investments.

- 5.2. The Council seeks to be a responsible investor, but makes few if any investments in listed equities or bonds. Within the relatively narrow scope of its investments, it will seek to avoid investment in companies whose business is primarily the generation or supply of fossil fuels.

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 is set out in Appendix Q.

7. Investment Policy: Treasury Management Investments

- 7.1. 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.

- 7.2. 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

- 7.3. 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 over achieving a high return. The Council will consider secured forms of lending such as covered bonds, but these instruments are not generally available for short-term and smaller size deposits. 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.

Specified Investments

- 7.4. The Council will limit risks by applying lending limits and criteria for 'high credit quality' as shown in Table P.3:

Table P.3 Lending Criteria

'Specified' short-term loan investments (all in Sterling)	Minimum Short-term rating*	Minimum Long-term rating*	Maximum investment per counterparty
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.

- 7.5. 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.

The Council may also provide short-term supply chain finance where the credit risk is based on the Council's own payment on the invoice due date, and in relation to invoices payable by other bodies meeting the above lending criteria.

- 7.6. Credit ratings are monitored on a real-time basis as provided via the Council's Treasury Management advisers, 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. The use of particular permitted counterparties may be restricted if this is considered appropriate.

Credit rating methodologies change from time to time, and in this event the Chief Finance Officer may determine revised and practicable criteria seeking similarly high credit quality, pending the next annual review of this treasury management policy.

Non-specified Investments and Limit

- 7.7. 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
- 7.8. Other categories of non-specified investments will not be used for treasury management purposes.

Investment Maturity

- 7.9. 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 P.4 Prudential limits on investing principal sums for over 364 days:

1-2 years	£400m
2-3 years	£100m
3-5 years	£100m

- 7.10. In making investments in accordance with the criteria set out in this section, the Chief Finance 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 earn less than riskier ones.
- 7.11. Where the Council deals with financial firms under the MiFID II regulations⁵, 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.
- 7.12. The Council does not currently use investment managers (other than through the use of pooled investment vehicles such as Money Market Funds). However, if 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 Chief Finance Officer.

⁵ 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.

8. Policy for HRA Loans Accounting

- 8.1. 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 Chief Finance Officer.

9. The Council Acting as Agent

- 9.1. 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 Chief Finance Officer will exercise the 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.

10. Reporting and Delegation

- 10.1. A Treasury Management Strategy report is presented as part of the annual Financial Plan 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.
- 10.2. The management of borrowings, loans, debts, investments and other assets has been delegated to the Chief Finance 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 Chief Finance Officer reports during the year to Cabinet on the decisions taken under delegated treasury management powers.
- 10.3. In exercising this delegation, the Chief Finance 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.

10.4. The Chief Finance 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

Similarly, Investment Management Practices for service and commercial investments are being prepared in accordance with the newly revised Treasury Management Code.

11. Training

- 11.1. 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 Q: SERVICE AND COMMERCIAL INVESTMENT STRATEGY

Compliance with the main requirements of the Government's Statutory Guidance on Local Authority 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 shares, which have been made to support service and commercial objectives. Examples include loans to InReach and 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 is financial return [4]. Investments taken for treasury management reasons are considered in the Treasury Management Strategy and Policy elsewhere 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 recently expanded Government Guidance on local authority investments.
- 1.3. Investment values provided in this Appendix are the book values in the Council's accounts, unless otherwise stated.

2. Objectives of the Strategy

- 2.1. To use investments where appropriate to support the Council's 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.
- 2.3. To deliver value for money (e.g. commercial terms or if less than commercial, social benefits to justify this).
- 2.4. To manage risks in accordance with the Council's risk appetite and financial circumstances (including due diligence when making investment decisions).

3. The Existing Financial and Property Investment Portfolios

- 3.1. The Council's service and commercial investments are extremely diverse, given their very different service motives and applications. The estimated value of financial investments at 31 March 2019 is £143.5m.

- 3.2. The commercial and investment property portfolio is currently being reorganised in accordance with the Council's Property Strategy. Its gross income in 2019/20 is budgeted at £25.8m.
- 3.3. The table 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 2019+

- 4.1. Joint working, partnerships and joint delivery arrangements are key to the provision of Council and wider public services. Financial and property investments are likely to be an ongoing result of the Council's partnership working.
- 4.2. In the context of the current Council Plan and priorities, investments may feature in arrangements for:
- Supporting specific policy priorities in the Council Plan or policy frameworks, e.g. housing
 - Supporting partnership working, including with the voluntary sector
 - Supporting the commercialism agenda and the Council's savings proposals, by providing financial return
- 4.3. The Council recognises that all investments carry the risk of financial loss. The risk of losses may seem distant or not be apparent at the time an investment is considered, but an estimate of losses needs to be accounted for from the outset. Financial gains and losses from investments will be the responsibility of the service to which the investment relates.
- 4.4. The Council will be particularly cautious where investments are funded wholly or partly from borrowing. Debt "gearing" creates additional costs of interest and repayment. It creates a fixed liability and a fixed repayment obligation, whilst the investment's value and income are at risk. The scope for the Council to borrow to fund investments is also limited by the relatively high level of council debt and low headroom for additional borrowing. The Council will not borrow to invest purely for financial gain, as recommended by Government Guidance [46]. This principle does not prevent the Council from borrowing for the prudent management or protection of its existing financial and property investment portfolios in its financial best interests.
- 4.5. The Council's risk appetite in relation to new investments will therefore be low, given the high level of financial risks 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 therefore be expected to:

- Show a compelling contribution to the Council's core objectives 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 returns are below commercial levels, provide clear non-financial benefits to the Council which demonstrate strong value for money
- Be prioritised within the investment limits set out below, to ensure that investment activity remains proportionate to the Council's finances overall
- Strike a prudent balance between security, liquidity and yield (whilst recognising that the delivery of strong service benefits may sometimes justify a higher financial risk) [29]

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 should 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. Budgeted gross income from service and commercial investments (including commercial property) represents 5.2% of the net revenue budget by 2021/22 [44]. This investment income exposure represents a manageable financial risk, and will be monitored as part of the Council's investment indicators (section 7 below).

4.7. 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 Section 7 below [44].

4.8. The arrangements for realising investments and managing liquidity risk will depend on the purpose and nature of the investment in each case. Where investments have been made to support service purposes and have been funded from cash resources, there is not a funding pressure to have an investment exit route in place. Where investments are funded by borrowing, the Council's MRP Policy (Appendix U) sets out the arrangements to repay debt without resorting to a sale of the investments [42-43].

5. Financial Investment Plans and Limits for 2019+

5.1. The key additional investment proposed in this Financial Plan is to expand the Council's investment in InReach, its wholly-owned Housing company. The Council has provided loans and equity of £13.5m, with interest on loans rolled up until the Company starts to generate trading surpluses, to develop the Embankment private rented housing. This development is now complete, fully let, and performing well. Further loans to InReach have been included in the Council's budgets since 2018/19, to develop rented housing at the Brasshouse

and Key Hill, and to purchase void properties from the HRA. It is now proposed that the Council will advance a further loan of up to £100m to InReach to finance the Company's acquisition of a proportion of the housing developed at the Commonwealth Games Village, as part of the financing of the development and to de-risk the sales programme. The Council's total proposed investment outstanding in InReach including both current arrangements and new proposals amounts to £247.9m. Whilst this expenditure takes the form of a financial investment, InReach is wholly owned by the Council, and represents an extension of the Council's own housing development activity. It will increase the supply of both private rented and affordable housing in Birmingham, which is a key priority for the Council, as well as generating a net income for the Council.

- 5.2. The main financial risk when investing in loans and equity is that the loan repayments are not made, and that the shares lose value or dividends are less than expected. In order to limit the financial impact of investment risks, an overall limit for the Council's service and commercial investments (excluding the commercial property portfolio) is proposed as follows:

Table Q.1 Service and Commercial Investment Strategy

Financial Investments	est value at 31/03/2019	planned changes	total value	limit
	£m	£m	£m	£m
Loans to subsidiaries	37.5	234.7	272.2	280.0
Loans to businesses	45.0	0.0	45.0	55.0
Other loans	15.1	0.0	15.1	23.0
Shares in subsidiaries	16.5	0.0	16.5	25.0
Shares in businesses	29.3	0.0	29.3	35.0
other shares	0.1	0.0	0.1	2.0
Total	143.5	234.7	378.2	420.0

- 5.3. The planned changes reflect the proposals described above, over the medium term to 2022/23. The limit has been set with a view to allowing scope for some limited further investment during this period. This 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. 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. Commercial Property Portfolio Investment Plans and Limits for 2019+

- 6.1. The Commercial Property portfolio strategy is described in more detail in Appendix M of this Financial Plan. This seeks to remove lower value and inefficient property holdings from the portfolio and reinvest into fewer, high quality commercial property assets, with a view to increasing gross income by 20% in cash terms after 5 years (by the end of 2023/24). Further details will be provided in an annual Commercial Property Strategy report to Cabinet.
- 6.2. The strategy envisages that reinvestment into new properties may be funded temporarily from borrowing pending capital receipts from the asset sales, providing that the individual sales are agreed by the time of borrowing. This will be limited to £50m and will be repaid by the end of 2023/24. The Government Investment Guidance recommends authorities not to borrow to invest purely for profit. The purpose of the temporary borrowing is not for additional long term investment, but is to maintain the Council's investment in commercial property while a large number of small properties are progressively sold over the next 5 years.
- 6.3. The main financial risks of property investment are that that rental income or property values may fall as a result of changing economic and market conditions, or due to the condition of the individual properties. The property risks in this strategy will be managed by the Commercial Property Board in accordance with the parameters and procedures set out in the Property Strategy (Appendix M), and within the temporary investment increase of £50m set out above.
- 6.4. Liquidity risk in property investments will be managed by the Commercial Property Board and through the limit of £50m on new investments (6.3 above)[43].

7. Investment Indicators

- 7.1. The Council will use the investment indicators set out below to strengthen its investment risk management framework, as recommended by the Government Guidance [23]:

Table Q.2 Service and Commercial Investment Indicators

SERVICE AND COMMERCIAL INVESTMENT INDICATORS	19/20	20/21	21/22	22/23
	£m	£m	£m	£m
Financial investments:				
planned value	186.7	226.3	263.0	378.2
investment limit	250.0	350.0	420.0	420.0
borrowing to fund investments	113.2	151.0	173.3	285.2
% investments financed by borrowing	60.6%	66.7%	65.9%	75.4%
secured investments	121.2	159.0	181.3	293.2
% investments secured	64.9%	70.3%	68.9%	77.5%
Commercial properties:				
New investment limit (cumulative)	50.0	50.0	50.0	0.0
budgeted gross investment income:				
Financial investments	10.8	14.4	18.1	
Commercial properties	25.8	26.3	28.6	
Council net revenue budget	851.6	867.5	892.5	
Investment income as % of net budget	4.3%	4.7%	5.2%	

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 Development and Commercial 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 Chief Finance Officer. Procedures for investment appraisal and management are set out in the Council's Financial Procedures (PSPG) [41,50]. New investments must reflect the Council's core priorities, and must be agreed by the Chief Finance Officer via the Treasury Management team before presentation of any executive decision report.
- 8.3. 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.
- 8.4. 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.

- 8.5. Officer and Member training will be available through the Council's treasury advisers, alongside 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].
- 8.6. These arrangements, which have been strengthened during the last year, will improve the capacity, skills and culture of the Council in making and managing investments for service and commercial purposes [48-49].

Table Q.3 Contribution of Investments to Council Outcomes

Financial Investments	main contribution	other contribution
Loans		
InReach Ltd - housing developments	housing	profit
InReach Ltd - CWG housing purchase	housing	profit
InReach Ltd - HRA housing purchase	housing	profit
Birmingham Propco (NEC Hotels)	economy	profit
Performances Birmingham Ltd	economy	arts
Birmingham Science Park (Aston) Ltd	profit	economy
iCentrum	economy	
Business loans portfolio	economy	
Warwickshire County Cricket Club	economy	
WM Collective Investment Fund	economy	
BLLP	Education	
Kick Start loans	housing	
Other commercial loans	various	
Loans to non-BCC schools	education	
Birmingham Children's Trust	children	
Other small loans	various	
loans to employees	management	
Wholesale Markets	economy	profit
Shares		
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	
Commercial Property portfolio		
Investment Properties	profit	economy
other commercial property portfolio	profit	economy

APPENDIX R: CAPITAL RESOURCES

Appendix R1

Financing the Capital Programme

	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Specific Resources					
Government Grants & Contributions	206.333	138.097	127.633	140.646	612.709
HRA Revenue Resources & Reserves	69.548	62.320	63.801	76.469	272.138
Other Specific Revenue Resources	6.035	5.238	0.115	0.384	11.772
HRA Capital Receipts	39.542	36.445	32.128	32.580	140.695
Total Specific Resources	321.458	242.100	223.677	250.079	1,037.314
Corporate Resources					
Prudential Borrowing	268.251	295.532	152.104	281.307	997.194
Earmarked Capital Receipts	23.607	16.432	1.000	0.500	41.539
Other Corporate Resources	18.187	0.150	0.392	-	18.729
Total Corporate Resources	310.045	312.114	153.496	281.807	1,057.462
Total Resources	631.503	554.214	377.173	531.886	2,094.776

Capital Grants and Contributions 2019/20 to 2022/23

	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Government Grants					
Better Care Fund	1.300	1.300	1.300	1.300	5.200
Devolved Schools Capital Allocation	1.776	0.000	0.000	0.000	1.776
Schools Capital Maintenance	6.395	0.000	0.000	0.000	6.395
Additional Pupil Places	18.612	22.994	30.000	43.649	115.255
Special Provision	0.000	0.000	5.265	0.000	5.265
Local Growth Fund	12.432	39.270	41.000	13.551	106.253
Transportation Highways	12.656	3.000	0.500	0.500	16.656
ERDF	7.156	0.186	0.000	0.000	7.342
Commonwealth Games	101.500	30.500	20.300	4.000	156.300
Housing Improvement Grant	5.588	6.600	0.000	0.000	12.188
Integrated Transport Block	8.105	5.160	5.160	5.160	23.585
Regeneration	5.615	0.000	0.000	0.000	5.615
Other	0.268	0.000	0.000	0.000	0.268
Total Government Grants	181.403	109.010	103.525	68.160	462.098
Contributions 3rd Party					
National Lottery	1.059	0.000	0.000	0.000	1.059
Highways Major Schemes	3.589	1.023	0.752	0.000	5.364
Highways Programmes	3.515	0.000	0.000	0.000	3.515
Highways Walking & Cycling	0.199	0.000	0.000	0.000	0.199
HRA Developer Contributions	6.519	19.469	13.786	5.432	45.206
Commonwealth Games	0.000	0.260	7.686	67.054	75.000
Other	0.613	0.190	0.000	0.000	0.803
Total Contributions	15.494	20.942	22.224	72.486	131.146
Local Growth Fund - LEP	0.270	0.000	0.000	0.000	0.270
Use of prior year grants	9.166	8.145	1.884	0.000	19.195
TOTAL GRANTS & CONTRIBUTIONS	206.333	138.097	127.633	140.646	612.709

Analysis of Prudential Borrowing

	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Major Self Financed Prudential Borrowing					
Enterprise Zone	32.889	31.177	46.559	99.986	210.611
Housing Development - In Reach	43.182	39.635	36.745	115.140	234.702
Transport Highways - Major Schemes	6.691	7.992	2.950	11.214	28.847
HRA - Home Improvement Programme	12.842	6.823	0.000	0.000	19.665
Capital Loans & Equity	1.750	1.141	0.000	0.000	2.891
Sport & Physical Activity	2.403	0.000	0.000	0.000	2.403
Property Strategy	25.000	25.000	0.000	0.000	50.000
Commonwealth Games - Village	73.100	119.800	45.050	27.450	265.400
Commonwealth Games - Alexander Stadium	10.000	0.000	0.000	0.000	10.000
Other	0.271	1.000	0.000	0.000	1.271
Total Self Financed	208.128	232.568	131.304	253.790	825.789
Major Prudential Borrowing with net impact on Council revenue resources					
SAP Software Upgrade	1.970	1.292	0.600	0.000	3.862
Corporate Investment Plan	7.811	4.393	6.000	6.000	24.204
Commonwealth Games - Alexander Stadium	0.000	37.134	0.000	0.000	37.134
Commonwealth Games - Other	1.297	1.569	0.000	0.000	2.866
School Condition Allocations	4.900	1.600	0.000	0.000	6.500
Strategic Parks	14.091	0.776	0.000	2.317	17.184
Metro Extension	2.000	0.000	0.000	0.000	2.000
Fleet & Waste Management	21.054	9.200	9.200	9.200	48.654
Corporate Capital Contingency	5.000	5.000	5.000	10.000	25.000
Community Libraries	2.000	2.000	0.000	0.000	4.000
Total Capital projects requiring revenue resources	60.123	62.964	20.800	27.517	171.404
Total Prudential Borrowing	268.251	295.532	152.104	281.307	997.194

APPENDIX S: CAPITAL PROGRAMME

Appendix S1

Proposed Capital Expenditure Programme 2019/20 to 2022/23

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	TOTAL £m
<u>ADULT SOCIAL CARE DIRECTORATE</u>					
Property Schemes	0.570	0.543	0.000	0.000	1.113
IT Schemes	0.309	0.445	0.000	0.000	0.754
Improvements to Social Care Delivery	3.184	3.184	3.184	1.300	10.852
Total Adult Social Care	4.063	4.172	3.184	1.300	12.719
<u>EDUCATION AND SKILLS DIRECTORATE</u>					
Devolved Capital Allocation to Schools	1.776	0.000	0.000	0.000	1.776
Schools Condition Allowance	11.295	1.600	0.000	0.000	12.895
Basic Need - Additional School Places	16.864	27.409	35.265	43.649	123.187
Early Years	1.130	0.000	0.000	0.000	1.130
IT Investment	2.005	0.287	0.000	0.000	2.292
Total Education and Skills	33.070	29.296	35.265	43.649	141.280
<u>NEIGHBOURHOODS DIRECTORATE</u>					
<u>General Fund</u>					
Sport & Swimming Pool Facilities	2.544	0.000	0.000	0.000	2.544
Waste Management Services Including Vehicle Replacement	22.054	9.200	9.592	9.200	50.046
Parks	15.214	1.152	0.000	2.317	18.683
Regulation and Enforcement	0.271	0.000	0.000	0.000	0.271
Adult Education & Youth	1.722	0.000	0.000	0.000	1.722
Community Libraries	2.143	2.000	0.000	0.000	4.143
Private Sector Housing	0.747	0.532	0.000	0.000	1.279
Total General Fund	44.695	12.884	9.592	11.517	78.688
<u>Housing</u>					
<u>Council Housing HRA</u>					
Housing Improvement Programme	69.311	67.828	58.946	59.257	255.342
Redevelopment	59.431	58.081	43.827	47.157	208.496
Other Programmes	5.297	5.748	6.941	8.066	26.052
Total Council Housing HRA	134.039	131.657	109.714	114.480	489.890
Total Neighbourhoods Directorate	178.734	144.541	119.306	125.997	568.578

	2019/20	2020/21	2021/22	2022/23	TOTAL
	£m	£m	£m	£m	£m
<u>INCLUSIVE GROWTH DIRECTORATE</u>					
<u>Planning & Regeneration</u>					
Major Projects					
Enterprise Zone - Paradise Circus	21.997	11.159	14.400	2.585	50.141
Enterprise Zone - Site Development & Access	2.500	0.000	0.000	0.000	2.500
Enterprise Zone - Connecting Economic Opportunities	0.485	0.500	0.500	10.500	11.985
Enterprise Zone - Southern Gateway Site	0.000	7.142	12.683	10.000	29.825
Enterprise Zone - Southside Links	0.278	0.000	0.000	0.000	0.278
Enterprise Zone - Southside Public Realm	0.000	6.378	0.000	0.000	6.378
EZ Phase II - HS2 Station Environment	1.500	3.149	14.237	18.018	36.904
EZ Phase II - HS2 Site Enabling	1.750	1.250	2.000	2.000	7.000
EZ Phase II - Local Transport Improvements	0.000	0.000	0.000	4.300	4.300
EZ Phase II - Metro Extension to E Bham/Solihull	0.000	0.000	0.000	48.100	48.100
EZ Capitalised Interest	4.380	1.600	2.739	4.483	13.202
Jewellery Quarter Cemetery	1.779	0.000	0.000	0.000	1.779
Unlocking Housing Sites	5.550	0.000	0.000	0.000	5.550
Life Sciences	0.000	0.973	0.000	0.000	0.973
Total Major Projects	40.219	32.151	46.559	99.986	218.915
Public Realm					
Metro Centenary Square	2.000	0.000	0.000	0.000	2.000
Making the Connection	0.301	0.000	0.000	0.000	0.301
Total Public Realm	2.301	0.000	0.000	0.000	2.301
Infrastructure					
A34 Corridor Perry Barr	0.035	0.000	0.000	0.000	0.035
Total Infrastructure	0.035	0.000	0.000	0.000	0.035
Grants / Loans					
Grand Hotel Development	0.000	1.000	0.000	0.000	1.000
Total Grants / Loans	0.000	1.000	0.000	0.000	1.000
Housing Development					
InReach - Voids	22.600	22.600	22.600	22.600	90.400
Brasshouse Centre	6.335	15.100	14.145	2.540	38.120
Key Hill	4.247	1.935	0.000	0.000	6.182
CWG - Village Sale to InReach	10.000	0.000	0.000	90.000	100.000
Total Housing Development	43.182	39.635	36.745	115.140	234.702
Total Planning & Regeneration	85.737	72.786	83.304	215.126	456.953

	2019/20	2020/21	2021/22	2022/23	TOTAL
	£m	£m	£m	£m	£m
<u>Transportation</u>					
Major Schemes					
Ashted Circus	0.898	0.000	0.000	0.000	0.898
Metro Extension	0.000	4.474	0.000	0.000	4.474
Iron Lane	4.258	5.022	0.987	0.000	10.267
Minworth Unlocking	0.100	0.000	0.000	0.000	0.100
Battery Way Extension	1.511	0.101	0.000	0.000	1.612
Longbridge Connectivity	0.254	0.000	0.000	0.000	0.254
A457 Dudley Road	1.330	8.406	11.950	7.255	28.941
Journey Reliability	0.610	0.000	0.000	0.000	0.610
Tame Valley Phase 2 & 3	0.200	31.000	32.000	17.510	80.710
Selly Oak New Road Phase 1B	5.995	1.312	0.000	0.000	7.307
Wharfdale Bridge	2.530	0.153	0.000	0.000	2.683
Snow Hill Station	4.054	3.040	0.752	0.000	7.846
Other (Major Schemes)	1.394	0.450	0.000	0.000	1.844
	23.134	53.958	45.689	24.765	147.546
Inclusive & Sustainable Growth					
Clean Air Zone Measures	2.521	0.000	0.000	0.000	2.521
Clean Air & Hydrogen Buses	10.980	0.000	0.000	0.000	10.980
Journey Reliability	0.021	0.000	0.000	0.000	0.021
Other (Inclusive & Sustainable Growth)	5.775	4.149	0.500	0.500	10.924
Total Inclusive & Sustainable Growth	19.297	4.149	0.500	0.500	24.446
Walking & Cycling	9.305	2.520	1.458	1.000	14.283
Infrastructure Development	0.678	0.589	0.633	1.260	3.160
Section 106 & 278	0.226	0.000	0.000	0.000	0.226
Funding to be allocated	0.000	0.000	0.874	1.576	2.450
Total Transportation	52.640	61.216	49.154	29.101	192.111
<u>Highways</u>					
Safer Routes to Schools	0.666	0.300	0.300	0.300	1.566
Section 106 & 278	0.075	0.000	0.000	0.000	0.075
Network Integrity	1.887	0.500	0.500	0.500	3.387
Road Safety	0.829	0.525	0.525	0.525	2.404
Other Minor Schemes	0.692	0.000	0.000	0.000	0.692
Total Highways	4.149	1.325	1.325	1.325	8.124
<u>Property Services</u>					
Attwood Green Projects	0.186	0.000	0.000	0.000	0.186
Property Startegy	26.000	27.000	1.000	0.500	54.500
Other (BPS)	0.450	0.000	0.000	0.000	0.450
Total Property Services	26.636	27.000	1.000	0.500	55.136
<u>Employment & Skills</u>					
ERDF Business Growth & Property Investment	6.705	0.000	0.000	0.000	6.705
Total Employment & Skills	6.705	0.000	0.000	0.000	6.705
Total Inclusive Growth Directorate	175.867	162.327	134.783	246.052	719.029

	2019/20	2020/21	2021/22	2022/23	TOTAL
	£m	£m	£m	£m	£m
FINANCE & GOVERNANCE DIRECTORATE					
Revenue Reform Projects	24.827	17.639	5.000	10.000	57.466
Capital Loans & Equity Funds	1.950	1.291	0.000	0.000	3.241
SAP New Developments	1.970	1.292	0.600	0.000	3.862
Commonwealth Games - Village	174.601	150.300	65.350	31.450	421.701
Commonwealth Games - Stadium	26.200	37.134	6.484	0.000	69.818
Commonwealth Games - Other	2.261	1.829	1.201	67.438	72.729
Total Finance & Governance	231.809	209.485	78.635	108.888	628.817
DIGITAL & CUSTOMER SERVICES DIRECTORATE					
Corporate ICT Investment	7.811	4.393	6.000	6.000	24.204
Digital Birmingham	0.149	0.000	0.000	0.000	0.149
Total Digital and Customer Services	7.960	4.393	6.000	6.000	24.353
Total Capital Programme	631.503	554.214	377.173	531.886	2,094.776

New Schemes

The following projects included in the above programme have been added since Quarter 3 2018/19

		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24+	TOTAL
		£m	£m	£m	£m	£m	£m	£000s
Adult Social Care Directorate								
ASC&H - Equipment Loan Store	N	-	0.500	0.500	0.500	0.500	-	2.000
Assistive Equipment	N	-	0.800	0.800	0.800	0.800	-	3.200
Total Adult Social Care Directorate		-	1.300	1.300	1.300	1.300	-	5.200
Education and Skills Directorate								
Schools capital	N	2.500	4.900	1.600	-	-	-	9.000
Total Education and Skills Directorate		2.500	4.900	1.600	-	-	-	9.000
Neighbourhoods Directorate								
Travellers Transit Sites	N	0.050	0.230	0.060	-	-	-	0.340
Adult Education IT	N	0.278	1.722	-	-	-	-	2.000
Leisureflex IT Replacement	N	-	0.400	-	-	-	-	0.400
Waste Management Services Vehicle Replacement	N	-	6.849	5.000	-	-	-	11.849
Parks (Pool Safety)	N	2.400	-	-	-	2.400	-	4.800
Insourcing Grounds Maintenance Vehicles	N	-	12.800	-	-	-	-	12.800
Libraries & Links to Community Hubs	N	-	2.000	2.000	-	-	-	4.000
Total Neighbourhoods Directorate		2.728	24.001	7.060	-	2.400	-	36.189
Inclusive Growth Directorate:								
Enterprise Zone Programme	N	6.629	16.166	11.159	14.400	2.585	0.338	51.277
Metro Extension	N	-	-	4.474	-	-	-	4.474
CWG - Village Sale to Inreach	N	-	10.000	-	-	90.000	-	100.000
Centenary Square Refurbishment	N	2.000	2.000	-	-	-	-	4.000
Public Hub Programme	N	0.500	1.000	2.000	1.000	0.500	-	5.000
Property Strategy (bridging loan)	N	-	25.000	25.000	-	-	-	50.000
Total Inclusive Growth Directorate		9.129	54.166	42.633	15.400	93.085	0.338	214.751
Finance & Governance Directorate:								
Revenue Reform Projects (redundancy)	N	-	-	2.000	-	-	-	2.000
Corporate Contingency	N	-	5.000	5.000	5.000	10.000	-	25.000
Commonwealth Games - Stadium	A	-	26.036	37.134	6.484	-	-	69.654
Commonwealth Games - Other	A	-	-	-	-	66.942	-	66.942
Total Finance & Governance Directorate		-	31.036	44.134	11.484	76.942	-	163.596
Total New Schemes / Resources		14.357	115.403	96.727	28.184	173.727	0.338	428.736

Note: this includes some re-phasing between years where additional resources have been identified for existing programmes and the removal of budgets where savings have been identified.

A - Amendment to existing project or programme

N - New project or programme

APPENDIX T: TEN YEAR SUMMARY CAPITAL PROGRAMME

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£m's										
ADULT SOCIAL CARE DIRECTORATE	4.063	4.172	3.184	1.300	0.000	0.000	0.000	0.000	0.000	0.000	12.719
EDUCATION AND SKILLS DIRECTORATE	33.070	29.296	35.265	43.649	0.000	0.000	0.000	0.000	0.000	0.000	141.280
NEIGHBOURHOODS DIRECTORATE											
Private Sector Housing	0.747	0.532	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.279
Other - General Fund	43.948	12.352	9.592	11.517	9.200	0.000	0.000	0.000	0.000	0.000	86.609
HRA	134.039	131.657	109.714	114.480	96.441	100.627	102.130	101.040	108.762	110.576	1,109.466
TOTAL CAPITAL - NEIGHBOURHOODS DIRECTORATE	178.734	144.541	119.306	125.997	105.641	100.627	102.130	101.040	108.762	110.576	1,197.354
INCLUSIVE GROWTH DIRECTORATE											
Regeneration											
Paradise Circus Redevelopment	21.997	11.159	14.400	2.585	0.337	0.000	0.000	0.000	0.000	0.000	50.478
Site Development & Access	2.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.500
Connecting Economic Opportunities	0.278	6.378	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.656
Southern Gateway Site-Smithfield	0.000	7.142	12.683	10.000	4.705	0.000	0.000	0.000	0.000	0.000	34.530
LEP Investment Fund	0.000	0.000	0.000	0.000	0.000	5.000	5.000	5.000	5.000	0.000	20.000
HS2 - Interchange Site	0.000	0.000	0.000	0.000	0.000	5.000	5.000	5.000	5.000	0.000	20.000
Centenary Square	2.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.000
EZ Capitalised Interest	4.380	1.600	2.739	4.483	6.326	4.338	5.993	4.533	5.926	0.000	40.318
EZ Phase 2- HS2 Station Environment	1.500	3.149	14.237	18.018	4.500	10.500	6.000	0.000	0.000	0.000	57.904
EZ Phase 2- Site Enabling Works	1.750	1.250	2.000	2.000	2.000	11.800	12.900	16.250	11.350	11.050	72.350
EZ Phase 2- Local Transport Improvements	0.000	0.000	0.000	4.300	4.400	4.600	4.800	5.000	19.000	18.700	60.800
EZ Phase 2- Connecting Economic Opps Phase 1	0.485	0.500	0.500	10.500	12.000	18.000	15.000	15.000	9.500	0.000	81.485
EZ Phase 2- Metro Extension to East B'ham/Solihull	0.000	0.000	0.000	48.100	46.200	44.500	44.500	0.000	0.000	0.000	183.300
Housing Development	43.182	39.635	36.745	115.140	0.000	0.000	0.000	0.000	0.000	0.000	234.702
Other Regeneration Schemes	7.665	1.973	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9.638
Total Planning & Regeneration	85.737	72.786	83.304	215.126	80.468	103.738	99.193	50.783	55.776	29.750	876.661

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£m's										
Total Employment & Skills	6.705	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.705
Total Transportation	52.640	61.216	49.154	29.101	8.878	0.000	0.000	0.000	0.000	0.000	200.989
Total Highways	4.149	1.325	1.325	1.325	1.325	0.000	0.000	0.000	0.000	0.000	9.449
Total Property Services	26.636	27.000	1.000	0.500	0.000	0.000	0.000	0.000	0.000	0.000	55.136
TOTAL CAPITAL - INCLUSIVE GROWTH DIRECTORATE	175.867	162.327	134.783	246.052	90.671	103.738	99.193	50.783	55.776	29.750	1,148.940
FINANCE & GOVERNANCE DIRECTORATE	231.809	209.485	78.635	108.888	14.400	0.700	0.200	0.000	0.000	0.000	644.117
DIGITAL & CUSTOMER SERVICES DIRECTORATE	7.960	4.393	6.000	6.000	6.000	6.000	6.000	5.534	0.000	0.000	47.887
TOTAL CAPITAL PROGRAMME	631.503	554.214	377.173	531.886	216.712	211.065	207.523	157.357	164.538	140.326	3,192.297

Resources

Use of Specific Resources

Grants & Contributions	206.333	138.097	127.633	140.646	11.480	5.820	4.421	0.250	0.250	0.250	635.180
Use of earmarked Capital Receipts	63.149	52.877	33.128	33.080	9.499	14.942	15.398	15.867	16.347	11.116	265.403
Revenue Contributions - Departmental	6.035	5.238	0.115	0.384	0.000	0.000	0.000	0.000	0.000	0.000	11.772
- HRA	69.548	62.320	63.801	76.469	81.122	79.865	82.311	84.923	92.165	99.210	791.734
Total Specific Resources	345.065	258.532	224.677	250.579	102.101	100.627	102.130	101.040	108.762	110.576	1,704.089

Use of Corporate or General Resources

Corporate Resources	18.187	0.150	0.392	0.000	0.000	0.000	0.000	0.000	0.000	0.000	18.729
Unsupported Prudential Borrowing - Corporate	29.288	48.079	5.000	12.317	0.000	0.000	0.000	0.000	0.000	0.000	94.684
Unsupported Prudential Borrowing - Directorate	238.963	247.453	147.104	268.990	114.611	110.438	105.393	56.317	55.776	29.750	1,374.795
Total Corporate Resources	286.438	295.682	152.496	281.307	114.611	110.438	105.393	56.317	55.776	29.750	1,488.208

Forecast Use of Resources

Forecast Use of Resources	631.503	554.214	377.173	531.886	216.712	211.065	207.523	157.357	164.538	140.326	3,192.297
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APPENDIX U: DEBT REPAYMENT POLICY

Minimum Revenue Provision Statement 2019/20

Introduction

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.
2. This policy applies to the financial year 2019/20. Any interpretation of the statutory guidance or this policy will be determined by the Section 151 Officer (currently the Chief Finance Officer).

Principles of Debt Repayment Provision

3. 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".

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.

4. 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.
5. This MRP Policy therefore takes account of the financial forecast in the Council's ten year LTFFP in determining what is prudent MRP in the circumstances. In particular, this takes account of the funding needs of Equal Pay settlements (paragraphs 20 and 21 below) and the need for an orderly financial transition as the Council adjusts to further substantial funding reductions.

6. 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.

General Fund MRP Policy: Borrowing before 2007/08

7. The Council's policy is to charge MRP on the pre-2007/08 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.

General Fund MRP Policy: Prudential Borrowing from 2007/08

8. The general repayment policy for new prudential borrowing is to repay borrowing within the expected life of the asset being financed, subject to a maximum period of 40 years. This 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:

9. 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.). Asset life will be determined by the Section 151 Officer. A standard schedule of asset lives will generally be used, but where borrowing on a project exceeds £10m, advice from Acivico or other appropriate advisers may also be taken into account.
10. 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 will be deferred until the year after the asset becomes operational.
11. 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.
12. If appropriate, shorter repayment periods (i.e. less than the asset life) may be used for some or all new borrowing.

Housing Revenue Account MRP Policy

13. 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. The Council's policy is that net HRA debt will reduce over the medium term, in order to deliver a debt to revenues ratio of below 2:1 by 2033/34. This reflects reductions in property numbers through Right to Buy and demolitions and will support the maintenance of a balanced and sustainable HRA Business Plan with the capacity to meet investment needs in later years. The Council will also seek to deliver a reduction in HRA debt per dwelling.

The annual HRA Loan Redemption to achieve the above policy is projected as follows in the HRA Business Plan:

Year	Loan Redemption
	£m
2019/20	18.2
2020/21	11.3
2021/22	15.6
2022/23	7.8
2023/24	8.5
2024/25	14.6
2025/26	18.0
2026/27	24.6
2027/28	17.4
2028/29	15.1

Additional voluntary HRA debt repayment provision may be made from revenue or capital resources.

Concession Agreements and Finance Leases

14. MRP in relation to concession agreements (e.g. PFI contracts) and finance leases will continue to be calculated on an asset life method for existing contracts, using an annuity repayment profile, consistent with the method for prudential borrowing in Section 8 above. For any new contracts entered into from 2019/20, treatment will move to an annual MRP charge matching 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 may approve that such debt repayment provision may be made from capital receipts rather than from revenue provision.

Transferred Debt

15. 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 cash debt repayments due to the holding authority.

Specific situations:

Statutory capitalisations

16. Expenditure which does not create a fixed asset, but is statutorily capitalised, will follow the MRP treatment in the Government guidance, apart from any exceptions provided for below.

Cashflows

17. Where a significant difference exists between capital expenditure accrued and the actual cashflows, MRP may be charged based on the cash expended at the previous year end, as agreed by the Section 151 Officer.

The reason for this is that, if expenditure has been accrued but cash payments have not yet been made, this may result in MRP being charged in the accounts to repay borrowing which has not yet been incurred.

Equal Pay settlements

18. The Council has plans in place to fund Equal Pay settlement liabilities, primarily from capital receipts. However, there are risks to the timing and quantum of future capital receipts. As a risk management mechanism, and as a last resort, MRP may be reduced if there are insufficient capital receipts to fund Equal Pay settlement costs in that year. The revenue saving will then be used to meet the settlement costs.

19. Any such reduction will be made good by setting aside equivalent future capital receipts to provide for debt repayment, when there is a surplus of capital receipts available after funding Equal Pay settlements. Any such reduction in MRP will be repaid over no more than 20 years on an annuity profile, including a charge to the revenue account to the extent that capital receipts are not available.

Capitalised loans to others

20. MRP on capitalised loan advances to other organisations or individuals will not be required. Instead, the capital receipts arising from the capitalised loan repayments will be used as provision to repay debt. However, revenue MRP contributions would still be required equal to the amount of any default on the repayment of the loan advanced.

Enterprise Zone

21. 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 (subject to the estimated life of the assets being funded). 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.

Voluntary repayment of debt

22. 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.
23. Where it is proposed to make a voluntary debt repayment provision in relation to prudential borrowing from 2007/08 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

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.

Based on this policy, the Capital Financing Requirement (CFR) will be fully repaid by no longer than 40 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 10.

APPENDIX V: PRUDENTIAL INDICATORS

Appendix V1

WHOLE COUNCIL	19/20 Indicators £m	20/21 Indicators £m	21/22 Indicators £m	22/23 Indicators £m
Capital Finance				
1 Capital Expenditure - Capital Programme	631.5	554.2	377.2	531.9
2 Capital Expenditure - other long term liabilities	36.3	38.2	37.8	33.1
3 Capital expenditure	667.8	592.4	415.0	565.0
4 Capital Financing Requirement (CFR)	4,731.8	4,909.2	5,069.9	4,945.6
Planned Debt				
5 Peak loan debt in year	3,590.5	3,781.4	3,931.3	3,884.2
6 + Other long term liabilities (peak in year)	432.5	415.5	396.7	373.4
7 = Peak debt in year	4,023.0	4,196.9	4,328.0	4,257.6
8 does peak debt exceed year 3 CFR?	no	no	no	no
Prudential limit for debt				
9 Gross loan debt	3,867.5	3,984.5	4,103.3	4,026.5
10 + other long term liabilities	432.5	415.5	396.7	373.5
11 = Total debt	4,300.0	4,400.0	4,500.0	4,400.0
Notes				
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 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 City Council's loan debt exceeded the CFR, but this is not the case due to positive cashflows, reserves and balances. The Prudential Code calls this Borrowing and the Capital Financing Requirement.			
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.			

Appendix V2

HOUSING REVENUE ACCOUNT		19/20	20/21	21/22	22/23
		Forecast	Forecast	Indicators	Indicators
		£m	£m	£m	£m
Capital Finance					
1	Capital expenditure	134.0	131.7	109.7	114.5
HRA Debt					
2	Capital Financing Requirement (CFR)	1,051.9	1,051.0	1,032.7	1,022.8
Affordability					
3	HRA financing costs	96.7	96.9	97.5	97.6
4	HRA revenues	273.8	279.7	285.8	292.2
5	HRA financing costs as % of revenues	35.3%	34.7%	34.1%	33.4%
6	HRA debt : revenues	3.8	3.8	3.6	3.5
7	Forecast Housing debt per dwelling	£17,446	£17,605	£17,461	£17,418

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 key measure of long term sustainability. This measure is forecast to fall below 2.0 by 2026/27, which is two years later than previously forecast.
- 7 This indicator is not in the Prudential Code but is a key measure of affordability: the HRA debt per dwelling should not rise significantly over time.

Appendix V3

GENERAL FUND	19/20	20/21	21/22	22/23
	Forecast £m	Forecast £m	Indicators £m	Indicators £m
Capital Finance				
1 Capital expenditure (including other long term liabilities)	533.8	460.7	305.3	450.5
2 Capital Financing Requirement (CFR)	3,680.0	3,858.2	4,037.2	3,922.7
General Fund debt				
3 Peak loan debt in year	2,538.6	2,730.4	2,898.6	2,861.4
4 + Other long term liabilities (peak in year)	432.5	415.5	396.8	373.5
5 = Peak General Fund debt in year	2,971.1	3,145.9	3,295.4	3,234.9
General Fund Affordability				
6 Total General Fund financing costs	249.3	267.3	272.4	264.6
7 General Fund net revenues	851.6	867.5	892.5	916.1
8 General Fund financing costs (% of net revenues)	29.3%	30.8%	30.5%	28.9%
9 General Fund financing costs (% of gross revenues)	22.4%	23.6%	23.6%	22.4%

Note

- 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.
- 9 This is a local indicator measuring finance costs against relevant gross income including revenues from sales, fees, charges and rents, which are available to support borrowing costs.

Appendix V4

TREASURY MANAGEMENT

		19/20	20/21	21/22	22/23	
	Limit	Forecast	Forecast	Forecast	Forecast	
Interest rate exposures						
1	General Fund impact of an unbudgeted 1% rise in interest rates	£5.2m	£5m	£10.2m	£6.6m	
2	upper limit on variable rate exposures	30%	22%	19%	29%	33%
Maturity structure of borrowing						
(lower limit and upper limit)						
	Limit	Forecast	Forecast	Forecast	Forecast	
		Year End	Year End	Year End	Year End	
3	under 12 months	0% to 30%	16%	15%	28%	19%
4	12 months to within 24 months	0% to 30%	1%	14%	1%	6%
5	24 months to within 5 years	0% to 30%	10%	4%	9%	7%
6	5 years to within 10 years	0% to 30%	12%	15%	15%	13%
7	10 years to within 20 years	5% to 40%	19%	13%	13%	22%
8	20 years to within 40 years	10% to 60%	36%	35%	33%	32%
9	40 years and above	0% to 40%	6%	4%	2%	2%

Investments longer than 364 days

upper limit on amounts maturing in:

		Limit	Forecast	Forecast	Forecast	Forecast
10	1-2 years	400	0	0	0	0
11	2-3 years	100	0	0	0	0
12	3-5 years	100	0	0	0	0
13	later	0	0	0	0	0

Note

- 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 V5

SERVICE AND COMMERCIAL INVESTMENT INDICATORS	19/20	20/21	21/22	22/23
	£m	£m	£m	£m
Financial investments:				
planned value	186.7	226.3	263.0	378.2
investment limit	250.0	350.0	420.0	420.0
borrowing to fund investments	113.2	151.0	173.3	285.2
% investments financed by borrowing	60.6%	66.7%	65.9%	75.4%
secured investments	121.2	159.0	181.3	293.2
% investments secured	64.9%	70.3%	68.9%	77.5%
Commercial properties:				
New investment limit (cumulative)	50.0	50.0	50.0	0.0
budgeted gross investment income:				
Financial investments	10.8	14.4	18.1	
Commercial properties	25.8	26.3	28.6	
Council net revenue budget	851.6	867.5	892.5	
Investment income as % of net budget	4.3%	4.7%	5.2%	

APPENDIX W: PAY POLICY STATEMENT

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 Communities and Local Government. 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 remuneration of its most senior employee's i.e. 'chief officers', as defined by the relevant legislation
- The detail and level of 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 2019/20 financial year and will be subject to review again for 2020/21 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 remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes; the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

The Council pays due regard to the Equal Pay requirements contained within the Equality Act, the Council ensures 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.

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.

There is a temporary freeze on performance related progression for the financial years 2019/20 and 2020/21 as part of budget savings. For this period where an employee is not at the top of their pay range their salary will be reviewed annually and may be increased from time to time at the discretion of the Council. There is no obligation during this period to award a performance related pay increase.

See Annex 1 for the senior officer pay structure effective as at 1 April 2019.

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

Chief/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. See Annex 1 for full details.

3.2 Recruitment to Senior Management Positions

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 deputy chief officer (DCO) positions are all made by the JNC Chief Officer and Deputy Chief Officer Appointments, Dismissals and Service Conditions Subcommittee. Other appointments are made by the Chief Executive or relevant delegated officer.

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 the use of temporary market forces and retention supplements 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 performance related as mentioned under 3.0. There is no element of earn back for senior manager's salaries and any pay progression is currently consolidated into basic pay. As part of the consultation exercise undertaken in 2017, access to performance related incremental progression within the grades will temporarily cease until April 2021 as part of budget savings as mentioned under section 3.0.

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/payexb/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 forces supplements/recruitment allowances are paid where it is justified in order to recruit and fulfill a role or to retain an officer within a role

3.4 Payments on Termination

The Council's approach to statutory and discretionary payments on termination of employment of senior managers, prior to reaching normal retirement age, is set out in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006, Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.

The power to increase statutory redundancy payments will be exercised to the extent permissible under the 2006 Regulations so that the amount which could be paid would be no more than the difference between the redundancy payment to which the employee is entitled by statute and the payment to which he would have been entitled if there had been no limit on the amount of a week's pay used in the calculation of his redundancy payment. Where the power to make discretionary compensation in relation to additional periods of membership under the Pension Regulations is exercised the amount of compensation shall not exceed 104 weeks' pay. If the employee receives a redundancy payment the equivalent amount shall be deducted from the discretionary compensation otherwise payable.

Any other payments falling outside the provisions 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.

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. There will be a temporary freeze on performance related progression for three years, which commenced 2018/19 and will run through 2019/20 and 2020/21 as part of budget savings. For this period where an employee is not at the top of their pay range their salary will be reviewed annually and may be increased from time to time at the discretion of the Council. There is no obligation during this period to award a performance related pay increase. The Council presently adheres to national pay bargaining in respect of the national pay spine with the most recent increase effective 1 April 2019.

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 in order to attract

and retain employees with particular 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 employee's under a contract of employment with the Council are employed on full time equivalent (FTE) salary in accordance with the minimum spinal column point (SCP) currently in use within the Council's grading structure. The minimum SCP for 2019 is £17,634 (SCP1). See Annex 2 for the BCC NJC Pay Structure, for which, discussions are ongoing with Trade Unions.

The Council has chosen to pay the 'Foundation Living Wage' equivalent of £8.75 per hour. Following the recent review of the UK living wage this has risen to £9 per hour and the implementation of which will be subject to cabinet approval with effect from 01 April 2019. For the purpose of this pay policy statement the lowest paid employee's will be defined as those on a FTE salary of £17,128 based on the Foundation Living Wage hourly rate of £9 per hour. This supplement paid for the 'Foundation Living Wage' should not be confused with the 'National Living Wage'.

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

Pay Differential between Chief Executive and lowest paid full time equivalent employees	CEX salary	218414
	Lowest FTE salary	17128
	Pay Multiple	12.7:1

Pay Differential between Chief Executive and the median pay for full time equivalent employees	CEX salary	218414
	Median salary	23836
	Pay Multiple	9.16:1

Pay Differential between Chief Executive and the average pay for full time equivalent employees	CEX salary	218414
	Average salary	26768
	Pay Multiple	8.15:1

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.

Pay Differential between the average of Chief/Deputy Chief Officers (JNC) pay and the lowest paid full time equivalent employee	Average Chief Officer salary	103527
	Lowest FTE salary	17128
	Pay Multiple	6.04:1

Pay Differential between the average of Chief/Deputy Chief Officers (JNC) pay and the average pay for a full time equivalent employee	Average Chief Officer salary	103527
	Average salary	26768
	Pay Multiple	3.86:1

Pay Differential between the median of Chief/Deputy Chief Officers (JNC) pay and the median pay for a full time equivalent employee	Median Chief Officer salary	92681
	Median salary	23836
	Pay Multiple	3.88:1

4.3 Accountability and Decision Making

In accordance with the Constitution of the Council, the JNC Chief Officer and Deputy Chief Officer 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.

5.0 Publication

Upon approval by the full Council, this statement will be published on the Council's Website www.birmingham.gov.uk/cosd and will also be available in additional formats by request. In addition, for employees where the full time equivalent salary is £50,000 or more, excluding employer superannuation contributions, the Council's 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)

Job Level	Grade	Minimum £	Maximum £
Chief Executive	B04	£ 181,024	£ 221,754
Corporate Director	B03	£ 135,346	£ 165,798
Service Director	B02	£ 101,192	£ 123,962
Assistant Director	B01	£ 74,984	£ 92,681

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 £181,024 rising to a maximum of £221,754. There is no additional supplement paid for returning officer duties incorporated into this role.
- b) Chief Finance Officer (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 £135,346, rising to a maximum of £165,798.
- c) City Solicitor & Monitoring Officer Legal and Governance – A statutory chief officer defined under section 5(1) of that Act. The salary for the above post falls within a range between £101,192 rising to a maximum of £123,962.
- d) Project Director Commonwealth Games – A non-statutory chief officer defined under section 2 (7) of that Act. The salary for the above post falls within a range between £101,192 rising to a maximum of £123,962.
- e) Director Human Resources – A non-statutory chief officer defined under section 2 (7) of that Act. The salary for the above post falls within a range between £101,192 rising to a maximum of £123,962.
- f) Director - 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 £135,346, rising to a maximum of £165,798.
- g) Director – Education & Skills - A statutory officer defined under section 2(6) of that Act. The salary for the above post falls within a range between £135,346, rising to a maximum of £165,798.
- h) Director - Neighbourhoods - A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £135,346, rising to a maximum of £165,798.
- i) Director Digital & Customer 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 £101,192, rising to a maximum of £123,962.

- j) Director Inclusive Growth - A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £135,346, rising to a maximum of £165,798.
- k) Assistant Chief Executive Policy– A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £101,192 rising to a maximum of £123,962.
- l) 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 £101,192 rising to a maximum of £123,962. There are also two statutory payments made in relation to this role.

Annex 2 Birmingham City Council – NJC Pay Spine**

The Birmingham City Council pay spine is based on nationally negotiated rates through the National Joint Council. These rates are effective from April 2019.

Grade	Spinal Column Point	Salary FTE
1	1	17364
	2	17711
	3	18065
2	3	18065
	4	18426
	5	18795
	6	19171
	7	19554
3	8	19945
	9	20344
	10	20751
	11	21166
	12	21589
	13	22021
	14	22462
	15	22911
	16	23369
	17	23836
4	18	24313
	19	24799
	20	25295
	21	25801
	22	26317
	23	26999
	24	27905
	25	28785
	26	29636
27	30507	
5	28	31371
	29	32029
	30	32878
	31	33799
	32	34788

5	32	34788
	33	35934
	34	36876
	35	37849
	36	38813
	37	39782
	38	40760
	39	41675
6	40	42683
	41	43662
	42	44632
	43	45591
	44	47,061.82
	45	48,542.86
	46	50,021.82
	47	51,513.02
	48	52,986.96
	49	54,574.12
7	50	56,154.06
	51	57,755.42
	52	59,625.08
	53	61,569.28
	54	63,579.70
	55	65,659.40
	56	67,818.78
	57	70,048.54
	58	72,883.08

** Discussions relating to pay structure are on-going with recognised Trade Unions

Annexe 3 Deputy Chief Officers

The positions in the table below are deputy chief officers as mentioned in section 2(8) of that Act, i.e. officers that report directly to any of the chief officers above:

Designation	Directorate	Grade	Range
Assistant Director Development & Commercial (& Deputy S151 Officer)	Finance and Governance	B02	£101,192 - £123,962
Assistant Director Service Finance (& Deputy S151 Officer)	Finance and Governance	B02	£101,192 - £123,962
Assistant Director Governance & Deputy MO	Finance and Governance	B01	£74,984 - £92, 681
Assistant Director Legal Services	Finance and Governance	B01	£74,984 - £92, 681
Head of Audit	Finance and Governance	G7 (NJC)	£56,154 - £72,883
Director GBSLEP	Finance & Governance	B01	£74,984 - £92, 681
Assistant Director Human Resources	Human Resources	B01	£74,984 - £92, 681
Assistant Director Organisational Development	Human Resources	B01	£74,984 - £92, 681
HR/OD Business Manager	Human Resources	G7 (NJC)	£56,154 - £72,883
Health & Safety Manager	Human Resources	G6 (NJC)	£43,662 - £56,154
Assistant Director Customer Services & Business Support	Digital & Customer Services	B01	£74,984 - £92, 681
Assistant Director Revenues & Benefits	Digital & Customer Services	B01	£74,984 - £92, 681
Assistant Director ICT & Digital	Digital & Customer Services	B01	£74,984 - £92, 681
Assistant Director Communications & Marketing	Assistant Chief Executives	B01	£74,984 - £92, 681
Assistant Director Public Health	Assistant Chief Executives	B01	£74,984 - £92, 681
Assistant Director Public Health	Assistant Chief Executives	B01	£74,984 - £92, 681
Assistant Director Housing	Neighbourhoods	B02	£101,192 - £123,962
AD Street Scene	Neighbourhoods	B02	£101,192 - £123,962
AD Neighbourhoods	Neighbourhoods	B01	£74,984 - £92, 681
AD Regulation & Enforcement	Neighbourhoods	B02	£101,192 - £123,962
Assistant Director Development	Inclusive Growth	B01	£74,984 - £92, 681
Assistant Director Transport Connectivity	Inclusive Growth	B01	£74,984 - £92, 681
Assistant Director Highways & Infrastructure	Inclusive Growth	B01	£74,984 - £92, 681
Assistant Director Property Services	Inclusive Growth	B01	£74,984 - £92, 681
Assistant Director Planning	Inclusive Growth	B01	£74,984 - £92, 681
Assistant Director Housing Development	Inclusive Growth	B01	£74,984 - £92, 681
AD Education & Early Years	Education & Skills	B01	£74,984 - £92, 681
AD Inclusion & SENDS	Education & Skills	B01	£74,984 - £92, 681
AD Skills	Education & Skills	B01	£74,984 - £92, 681
AD Community & Operational x 2	Adult Social Care	B02	£101,192 - £123,962
AD Commissioning	Adult Social Care	B02	£101,192 - £123,962
AD Quality & Improvement	Adult Social Care	B01	£74,984 - £92, 681

APPENDIX X: FEES AND CHARGES

1. Introduction

- 1.1. The Council Plan 2018-22 set out the Councils priorities to support residents and businesses of Birmingham to 2022. The Medium Term Financial Plan (MTFP) sets out the resource requirements to deliver these priorities and increasing income is a key part of the MTFP.
- 1.2. The Council has embarked on a Commercialisation approach, which has identified opportunities to increase income and generate efficiencies across all services, to improve the Councils net bottom line position. This has led to a review of the way in which many services view income and expenditure, leading to increased income in some services and withdrawing from other services that do not deliver value for money.
- 1.3. The Council's Corporate Charging Policy within the Policies Standards and Procedures Guidance states that "*net income maximisation should be the ultimate aim of charged for services*" but 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.

2. Fees and Charges Review

- 2.1. As part of the budget setting process for 2019/20 an initial review of the Council's approach to fees and charges was undertaken, which identified improvements that were required in price setting, cost recovery and allocation and also an opportunity to streamline the governance process relating to price setting. This review will be ongoing in 2019/20, with further changes identified, implemented and embedded in to the Council's business-as-usual operations for future years.
- 2.2. To progress this work, a research exercise was undertaken. Those areas identified as offering services that attract a fee, make a charge or impose a fine were contacted to provide a record of those charges - potential new charges/fees were also sought. The exercise also required service managers to undertake benchmarking to establish the level of charge imposed by neighbouring Councils, other core cities or by similar service providers nearby. Information was also sought with respect to the level of demand for each service. Although this is an ongoing exercise it has led to a number of changes in the way the Council sets prices.
- 2.3. The review identified there were a number of areas where the Council's current charges are significantly below the rate of other local authorities and other areas where the Council's existing pricing is more expensive than comparable authorities. In general the proposals seek to align prices with

other authorities (unless there is a specific reason for not doing so), meaning that in some cases there are significant fee increases and in others the proposal is to keep fees and the current level.

- 2.4. The proposed prices seek to optimise both the financial and policy position through price setting. For example significantly increasing sports pitch hire to achieve full cost recovery is likely to compromise the Council's policy objective of encouraging people to be fit and active, therefore fees and charges have been set in a way that seeks to recover costs associated with service delivery but also still provide accessible services - where there is a policy objective for doing so. To achieve these dual objectives the Council not only considers the 'core' price of services but also considers offering free or discounted access to certain groups (e.g. via access to concessionary passes or free or discounted car parking for blue badge holders).
- 2.5. The review identified that in many cases the Council's charges did not achieve full cost recovery, with many charges not fully recovering reasonable overheads associated with service delivery. Adjusting pricing to incorporate full recovery of overheads has led to price increases across a range of services, alongside inflationary increases or increases in costs of supplies that have particularly impacted some services. In some cases moving to Full Cost Recovery in 'one jump' would be unpalatable, so therefore the fees and charges attached in the schedule are a move towards full cost recovery – with further rises in prices in some services likely in 2020/21. In addition some services operate in environments where it would be counter-productive to increase prices and in these instances other methods (i.e. volume increases or efficiencies) have been considered to optimise the value for money of the service.
- 2.6. For some services that operate in competitive, traded environments it would be 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, Hospitality Catering). In these instances the schedule lists the services provided and notes 'price to be negotiated'.
- 2.7. Built in to the Council's Long Term Financial Plan is an assumed annual increase on all income of 2%, to reflect inflation in costs and in the market – this has been factored in to the assumptions around financial implications in this report.
- 2.8. The proposed fees and charges for 2019/20 following the review are attached in Annex 1.

3. Governance

- 3.1. The Council is moving towards a streamlined approach to the governance of fees and charges – with Cabinet and Full Council having full visibility and oversight of price setting as part of the annual budget report. Notwithstanding this it should be noted that there will be individual service reasons for price

changes in year – these will be managed through the appropriate governance processes and in line with the appropriate level of delegated authority for decision making. The new, more streamlined, approach reflects learning from best practice in other Councils and fits with the Council’s overall programme of driving improvement in governance and processes.

- 3.2. It should be noted that for various reasons (e.g. ongoing restructures, timings of price increases) there are some fees and charges in some service areas that could not be included within this report – however it is anticipated that in future years this will be a fully comprehensive report.
- 3.3. Licensing and Public Protection Committee – It should be noted that there are a number of charges that are under the jurisdiction of the Licensing and Public Protection Committee, which has a separate governance process. The proposed charges for 2019/20 for the services covered by this committee are attached in Annex 2.
- 3.4. The proposed fees that have been presented to the Licensing and Public Protection Committee are for noting only by Cabinet and Full Council only.

4. Implementation

- 4.1. Where the proposed fees and charges in Annex 1 are approved they should be implemented not earlier than 1 March 2019, but the exact implementation date for individual charges will be subject to individual service circumstances (e.g. school terms)

5. Future Year Reviews

- 5.1. As part of the budget setting process for future years all fees and charges will be reviewed and an ‘ongoing’ challenge approach adopted. It is anticipated that there will be year on year developments and improvements to the annual fees and charges report and incorporating learning from good practice in other authorities.

6. Consultation

- 6.1. Public consultation on the Budget 2019+ included a number of proposals that refer to fees and charges, both with regards to a general review of prices to achieve full cost recovery and service areas specifically identified for price changes. The consultation highlighted the following:
 - There were concerns expressed about the impact on vulnerable people, or people facing difficult situations (for example increases in the cost of Bereavement services) and the ability of low income groups to access
 - Some individuals were concerned that some services would no longer offer value for money for customers if prices are increased and increased prices in some areas may result in a net loss of income for the Council (for example increase in prices for the Garden and Bulky Waste service)

- There were some questions raised about whether the potential negative impact on policy objectives of some price increases outweighed the financial benefit of increased income (for example car parking charges in parks)
- There were some concerns raised about the ability of schools and pupils to access vital services by raising subscription fees

6.2. The Council has considered the response to public consultation in the development of the proposed fees and charges. Where possible the Council has sought to mitigate negative impact of increased price rises, utilising a range of approaches:

- Freezing prices or applying inflationary only increases on a range of services, including a number of charges within Bereavement Services and services to schools
- Utilising discount schemes (such as Early Bird pricing) for subscriptions to enable the Council to plan more efficiently and customers to benefit from reduced prices
- Offering concessionary and discount prices to certain vulnerable groups

7. Legal Implications

7.1. The legal powers the Council has in respect of fees and charges are contained in a number of statutes , including the following pieces of legislation which are particularly relevant :

- Localism Act 2011 : General power of competence available to local authorities to do “anything that individuals generally do“
- Local Government Act 1972 , s. 111 : A local authority shall have 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
- 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 the service to him , and (b) he has agreed to its provision.”
- Local Authorities (Goods and Services) Act 1970 re supply of goods and services by local authorities and ability of parties to enter into an agreement to include terms as to payment

7.2. There are a large number of statutes which enable or oblige the local authority to offer specific services e.g. Environmental Protection Act 1990 re the collection of trade waste. Whilst certain of the Council’s charges are set

by statute, a local authority is able, in many instances, to determine what to charge service users for the service provided.

- 7.3. Statutes of relevance to particular service areas as regards the ability to charge for the provision of services are noted in Annex 2.
- 7.4. It should be noted that any in year changes in respect of fees and charges will need to go through the current Governance process in accordance with the scheme of delegation.
- 7.5. Alongside the Corporate Charging Policy there are other local policies and procedures that impact on price setting, including the *“Fair Funding Scheme for Financing Schools”* – which is in accordance with the Schools Standards and Framework Act 1998 – and governs the financial relationship between the Council and schools (including charging).

8. Financial Implications

- 8.1. The proposed revision of fees and charges are proposed to meet new proposals as part of the budget 2019+ and also to meet existing inflationary increases and known service pressures. The anticipated additional income from fees and charges to meet new budget proposals is approximately £3.78m alongside a planned inflationary rise in income of 2%.

9. Equality Implications

- 9.1. Equality implications have been considered in the setting of fees and charges at both a Council Wide and service level basis and equality impact assessments have been undertaken within services, in addition to EQUA169 related to the budget proposal CC104 19+.
- 9.2. Any increase in fees and charges, regardless of the service provided, will have a more adverse impact on those individuals and socio-economic groups who are less able to meet the cost. Some charges may particularly impact on specific age groups (e.g. burial service charges and fees) and those who are less mobile or have a disability (e.g. waste collection charges). On the whole, however, vulnerable groups are protected by continuing to maintain concessionary rates for certain groups (e.g. children and young people, blue badge holders etc) or other discount schemes (e.g. passport to leisure).

ANNEX 1

Service Area	Bereavement Services			
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> Bring prices in line with other top quartile local authorities in the West Midlands Maintain the same prices on services where Birmingham City Council is more expensive than other authorities Increase prices on services where Birmingham City Council is significantly below other authorities Introduce a premium to manage highest demand timeslots Achieve proposals within Budget 2019+ 			
Link to Budget 2019+	PL114a 19+ PL114b 19+ PL114c 19+ PL114d 19+ PL127 19+			
Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Exclusive Right of Burial				
Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,247.00	£2,247.00	£0.00	0.00%
Non Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£5,880.00	£5,880.00	£0.00	0.00%
Resident Fee - Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£2,809.00	£2,809.00	£0.00	0.00%
Non Resident Fee - Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£7,501.00	£7,501.00	£0.00	0.00%
Resident Fee - Standard grave (Lawn Type) with concrete header	£2,445.00	£2,445.00	£0.00	0.00%
Non Resident Fee - Standard grave (Lawn Type) with concrete header	£6,534.00	£6,534.00	£0.00	0.00%
Resident Fee - Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£3,059.00	£3,059.00	£0.00	0.00%
Non Resident Fee - Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£8,167.00	£8,167.00	£0.00	0.00%
Resident Fee - Child's grave (coffin/casket 3'6" (106.68cm) x 2'6" (76.20cm) - Where larger size graves are available fee will be increased pro rata	£0.00	£0.00	£0.00	0.00%
Non Resident Fee - Child's grave (coffin/casket 3'6" (106.68cm) x 2'6" (76.20cm) - Where larger size graves are available fee will be increased pro rata	£3,298.00	£3,298.00	£0.00	0.00%
Resident Fee - Child's grave (Lawn Type) with concrete header	£0.00	£0.00	£0.00	0.00%
Non Resident Fee - Child's grave (Lawn Type) with concrete header	£3,506.00	£3,506.00	£0.00	0.00%
Resident Fee - Earthen grave for cremation ashes	£661.00	£661.00	£0.00	0.00%
Non Resident Fee - Earthen grave for cremation ashes	£1,769.00	£1,769.00	£0.00	0.00%
Resident Fee - Earthen grave for cremation ashes with Concrete Header (to accept four caskets of remains)	£973.00	£1,089.00	£116.00	11.92%
Non Resident Fee - Earthen grave for cremation ashes with Concrete Header (to accept four caskets of remains)	£2,591.00	£2,902.00	£311.00	12.00%
Resident Fee - Earthen grave for cremation ashes with Concrete Header to accept two caskets of remains	£780.00	£874.00	£94.00	12.05%
Non Resident Fee - Earthen grave for cremation ashes with Concrete Header to accept two caskets of remains	£2,086.00	£2,337.00	£251.00	12.03%
Resident Fee - Mini cremated remains vault	£1,600.00	£1,600.00	£0.00	0.00%
Non Resident Fee - Mini cremated remains vault	£4,272.00	£4,272.00	£0.00	0.00%
Resident Fee - Mausolia Vault	Prices on application	Prices on application	N/A	N/A

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Non Resident Fee - Mausolia Vault	Prices on application	Prices on application	N/A	N/A
Resident Fee - Vaulted grave with integral memorial	Prices on application	Prices on application	N/A	N/A
Non Resident Fee - Vaulted grave with integral memorial	Prices on application	Prices on application	N/A	N/A
Non Resident Fee - Grave Reservation Fee in respect of standard grave, grave to accept coffin/casket over 30" in width and standard grave with concrete header (the reservation fee is to be paid in addition to the Exclusive Right of Burial Fee that is relevant at the time of reservation)	£150.00	£150.00	£0.00	0.00%
Resident Fee - Grave Reservation Fee in respect of standard grave, grave to accept coffin/casket over 30" in width and standard grave with concrete header (the reservation fee is to be paid in addition to the Exclusive Right of Burial Fee that is relevant at the time of reservation)	£150.00	£150.00	£0.00	0.00%
Exclusive Right of Burial (Woodland Burials) price of grave includes Rustic Wooden Pergola Plaque, 2 Line Entry into the Book of Remembrance, Seed Planter Card				
Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,450.00	£2,450.00	£0.00	0.00%
Non Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£6,406.00	£6,406.00	£0.00	0.00%
Resident Fee - Standard grave WITH TREE (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,685.00	£2,685.00	£0.00	0.00%
Non Resident Fee - Standard grave WITH TREE (to accept Coffin/Casket up to 30" (76.20cm) in width)	£6,640.00	£6,640.00	£0.00	0.00%
Resident Fee - Grave Reservation Fee in respect of standard grave and standard grave with a tree	£150.00	£150.00	£0.00	0.00%
Non Resident Fee - Grave Reservation Fee in respect of standard grave and standard grave with a tree	£150.00	£150.00	£0.00	0.00%
Non Resident Fee - Postage of Deed By Recorded Delivery	£6.00	£6.00	£0.00	0.00%
Resident Fee - Postage of Deed By Recorded Delivery	£6.00	£6.00	£0.00	0.00%
Interments (Maximum 1 hour appointment allocation per booking - ½ hr for items 2.1 & 2.2) Earthen Graves (including Public Graves)				
Interment of a still born child (Includes non-viable foetal remains) or a child aged 16 years or below	£0.00	£0.00	£0.00	0.00%
Organs, other body parts and tissue of a deceased person (where deceased was aged 17 or above)	£156.00	£156.00	£0.00	0.00%
Interment of a person aged 17 years or over (exception applies, see below)	£681.00	£1,054.00	£373.00	54.77%
Interment of person aged 17 years or over - Where an exclusive right of burial was granted before 1.4.1993 and no full body burial has taken place since this date (this does not apply to Public Graves)	£1,113.00	£1,113.00	£0.00	0.00%
Interment in a vault with integral memorial	Prices on application			
Interment in a mausolia vault	Prices on application			
Interment of the Qu'ran pages by appointment at Handsworth Cemetery only	Interment fee minus registration fee			
Walled graves or vaults				
Interment of a still born child (Includes non-viable foetal remains) or a child aged 16 years or younger	£0.00	£0.00	£0.00	0.00%
Interment of a person aged 17 years or over (exception applies, see below)	£1,150.00	£1,150.00	£0.00	0.00%
Interment of person aged 17 years or over - Where an exclusive right of burial was granted before 1.4.1993 and no full body burial has taken place since this date (this does not apply to Public Graves)	£1,675.00	£1,675.00	£0.00	0.00%
Construction of a walled grave	Prices on application			

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Cost of pre-constructed walled grave (where available) 7'	£1,714.00	£1,714.00	£0.00	0.00%
Cost of pre-constructed walled grave (where available) 5'	£971.00	£971.00	£0.00	0.00%
Cost of a concrete liner for a standard sized grave*	£1,248.00	£1,248.00	£0.00	0.00%
Cost of a concrete liner for a child's sized grave*	£620.00	£620.00	£0.00	0.00%
Exhumation Fee	Prices on application			
<i>* These fees are in addition to the interment and any Exclusive Right of Burial fees that apply.</i>				
Interments (continued) N.B. Maximum coffin width in a standard grave is 30" (76.20cm) in width including a re-opened or pre-purchased grave. Cremated Remains (Maximum ½ hour appointment allocation per booking for items 2.11 - 2.13)				
Interment of Cremated Remains in a grave or vault *	£198.00	£300.00	£102.00	51.52%
Deposit of Cremated Remains in a Columbarium Unit - Lodge Hill Cemetery (includes first inscription) *	£235.00	£235.00	£0.00	0.00%
Interment of cremated remains of a child aged 17 years or below*	£156.00	£156.00	£0.00	0.00%
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 2.1 - 2.7 & 2.11 - 2.13 above)*	£124.00	£124.00	£0.00	0.00%
Scattering of cremated remains on a grave when cremation did not take place at a Birmingham City Council Crematorium (Fee to witness scattering of cremated remains included)*	£104.00	£104.00	£0.00	0.00%
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)*	£47.00	£47.00	£0.00	0.00%
Burial of cremated remains package consisting of arrangement, supply of casket and floral tribute only	£203.00	£203.00	£0.00	0.00%
Memorials and Inscriptions (as defined within the Rules and Regulations in Respect of the Municipal Cemeteries). Charge for the Right to erect or place a memorial on a grave or vault (where an Exclusive Right of Burial has been granted prior to 1st May 2005)				
A traditional type of memorial (Headstone and Kerbs)	£250.00	£250.00	£0.00	0.00%
A lawn type memorial (Headstone only)	£193.00	£193.00	£0.00	0.00%
A lawn type memorial (Concrete header)	£317.00	£317.00	£0.00	0.00%
A lawn type memorial on a child's grave	£99.00	£99.00	£0.00	0.00%
A memorial vase where no other memorial has been erected	£89.00	£89.00	£0.00	0.00%
A lawn tablet for Cremation Ashes Section	£99.00	£99.00	£0.00	0.00%
<i>The fees marked with * refer to the right to place and maintain a memorial and only includes the first inscription. The following fee applies to each inscription after the first :</i>				
Application for an additional inscription after the first (up to two names may be included upon application)	£67.00	£67.00	£0.00	0.00%
Additional inscription Columbarium Unit - Lodge Hill Cemetery only	£235.00	£235.00	£0.00	0.00%
Other Cemetery Memorialisation	Prices on application			
Woodland Burial Memorialisation	Prices on application			
Other Fees and Charges	Prices on application			
Use of cemetery chapel including use of organ and (if required) provision of recorded music.	£255.00	£289.00	£34.00	13.33%
Use of crematorium chapel including (Lodge Hill, Sutton Coldfield and Yardley when available) including use of organ (if required) provision of recorded music	£374.00	£420.00	£46.00	12.30%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
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.	£70.00	£70.00	£0.00	0.00%
Transfer of ownership and subsequent registering of an existing exclusive Right of Burial to a person who is a non resident of Birmingham (except where original Exclusive Right of Burial is owned by a non resident of Birmingham) N/A where less than 30 years remaining of Exclusive Right of Burial				
Standard Grave	£3,756.00	£3,756.00	£0.00	0.00%
Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£4,692.00	£4,692.00	£0.00	0.00%
Standard Grave (Lawn Type) with Concrete Header	£2,445.00	£2,445.00	£0.00	0.00%
Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£5,108.00	£5,108.00	£0.00	0.00%
Child's Grave (coffin/casket 3'6" (106.68cm) x 2'6" (76.20cm)	£2,066.00	£2,066.00	£0.00	0.00%
Child's Grave (Lawn Type) with Concrete Header	£2,190.00	£2,190.00	£0.00	0.00%
Earthen Grave for Cremation Ashes	£1,108.00	£1,108.00	£0.00	0.00%
Earthen Grave for Cremation Ashes (with Concrete Header) for 4	£1,623.00	£1,623.00	£0.00	0.00%
Earthen Grave for Cremation Ashes (with Concrete Header) for 2	£1,306.00	£1,306.00	£0.00	0.00%
Miscellaneous				
Vault with integral memorial	Prices on application			
Interment in a mausolia vault	Prices on application			
Preparation of indemnity upon notification of loss of an Exclusive Right of Burial	£124.00	£124.00	£0.00	0.00%
Preparation of Repurchase of Exclusive Right of Burial Agreement	£124.00	£124.00	£0.00	0.00%
Online records search	Prices on application			
Searching of Burial Register or genealogical research (up to three names) within one year of approximate date of death that is provided (Inclusive of Vat). This will not apply if only grave & section number is being requested	Prices on application			
Certified Copy of Entry in Burial Register (Inclusive of Vat)	£15.00	£20.00	£5.00	33.33%
Additional work required to grave where incorrect information was supplied on the notice of interment.	£120.00	£120.00	£0.00	0.00%
Reproduction of Deed of Exclusive Right of Burial due to incorrect information being supplied on the notice of interment and amendment of Statutory Registers	£62.00	£62.00	£0.00	0.00%
Where one service slot has been booked and the service takes longer than 1.15 hours from the appointed service time an additional fee will be applied.	£260.00	£260.00	£0.00	0.00%
For each additional hour booked after the first appointed time slot for a full burial service	£250.00	£250.00	£0.00	0.00%
Where the service for an interment of cremated remains or an interment of a child aged 16 or below takes longer than 30 minutes from the appointed service time an additional fee will be applied.	£75.00	£75.00	£0.00	0.00%
Where the funeral commences more than 1 hour later than the booked time and lasts in excess of 1.15 hours, in addition to previous fees.	£416.00	£416.00	£0.00	0.00%
Late cancellation of funeral booking (after 10.00 hours on the working day prior to the funeral)	£255.00	£255.00	£0.00	0.00%
Late cancellation / Non attendance for booking of cremated remains interment (after 10.00 hours on the working day prior to the funeral)	£52.00	£52.00	£0.00	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Late cancellation / Non attendance for booking of scattering of cremated remains.	£20.00	£20.00	£0.00	0.00%
Coffin Covers	Price on Application			
For removal and refixing of cremation lawn tablet (cremated remains).	£42.00	£42.00	£0.00	0.00%
Retiling of Grave (Inclusive of Vat)	£176.00	£176.00	£0.00	0.00%
Placing additional soil on grave (Inclusive of Vat)	£41.00	£41.00	£0.00	0.00%
Subsequent levelling turfing or seeding of Grave	£114.00	£114.00	£0.00	0.00%
Always remember Grave Tending Services (Inclusive of Vat)	Price on Application			
Various Keepsakes / Memorials (Inclusive of Vat)	Price on Application			
Supply of "Windsor" Wood Veneer Vault Casket, including Name Plate (Inclusive of Vat)	£114.00	£114.00	£0.00	0.00%
Supply of "Balmoral" traditionally styled and lacquered cremated remains casket,inc.name plate (Inclusive of Vat)	£124.00	£124.00	£0.00	0.00%
Name Plate for Cremated Remains Caskets (Inclusive of Vat)	£5.00	£5.00	£0.00	0.00%
Cremation - 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 music.				
Stillborn child or child aged 16 years or below (includes non viable foetal remains)	£0.00	£0.00	£0.00	0.00%
Organs, other body parts and tissue of a deceased person (where deceased was aged 17 or above)	£143.00	£143.00	£0.00	0.00%
Person aged 17 years or above. The cremation fee includes an environmental charge of £55.00	£814.00	£875.00	£61.00	7.49%
Additional charge for last two service times	New Charge	£80.00	New Charge	N/A
Where a cremation service takes place for two adults.The cremation fee includes an environmental charge of £55.00	£1,254.00	£1,330.00	£76.00	6.06%
Use of the Chapel	£374.00	£420.00	£46.00	12.30%
Where the service exceeds the allotted time slot, the fee for the use of the crematorium chapel will be applied	£374.00	£420.00	£46.00	12.30%
For funerals that arrive/commence more than 1 hour late, in addition to previous fees.	£511.00	£511.00	£0.00	0.00%
Late cancellation of funeral booking (after 10.00 hours on the working day prior to the funeral)	£298.00	£298.00	£0.00	0.00%
Deposit of cremated remains				
Temporary deposit of cremated remains pending arrangements for disposal, per month	£71.00	£71.00	£0.00	0.00%
Subsequent deposit of cremated remains in an existing niche in the Columbarium at Lodge Hill	£255.00	£255.00	£0.00	0.00%
Scattering of cremated remains in the Garden of Remembrance when cremation took place at a crematorium other than Yardley, Sutton Coldfield or Lodge Hill	£107.00	£107.00	£0.00	0.00%
Witness scattering of cremated remains in the garden of remembrance where cremation takes place at Yardley,Sutton Coldfield or Lodge Hill Crematorium	£53.00	£53.00	£0.00	0.00%
Provision of container for collection of cremated remains	£10.00	£10.00	£0.00	0.00%
Production of the certificate of cremation	£10.00	£10.00	£0.00	0.00%
Above Ground Cremated Remains Vaults - Sanctum Vaults and Walled Sanctum units				
Additional Services	Prices on application			

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
DVD recording of cremation service- where available	Prices on application			
CD recording of cremation service - where available	Prices on application			
Use of Tribute Screen - where available	Prices on application			
Webcast of cremation Service - where available	Prices on application			
Memorials				
Service Area	Libraries			
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> • Refer to Para 7.1 of Report 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> • To review prices that have remained the same for a number of years • To bring in line with other comparable authorities • To incentivise use of services in the correct manner (i.e. make return items on time) • To move towards full cost recovery for the delivery of specific services and make a greater contribution to overhead costs 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Overdue Charges				
Books and Sound Recordings - Per Day	£0.20	£0.25	£0.05	25.00%
Maximum Charge	£5.00	£6.00	£1.00	20.00%
Books and Sound Recordings - Concessionary Per Day	£0.10	£0.13	£0.03	30.00%
Concessionary Maximum Charge	£2.50	£3.00	£0.50	20.00%
DVDs Per Day	£0.50	£0.75	£0.25	50.00%
DVDs Maximum Charge	£6.00	£7.00	£1.00	16.67%
Inter-Library Loans				
Book/periodical article/music score sourced outside of the City Council	£10.00	£10.00	£0.00	0.00%
Renewal of externally sourced ILL	£5.00	£5.00	£0.00	0.00%
Loss of British Library book	£140.00	£140.00	£0.00	0.00%
Talking Books Hire				
Standard	£1.20	£1.30	£0.10	8.33%
Concessionary	£0.60	£0.75	£0.15	25.00%
Exempt	Young people under the age of 18,			
Music Library Services				
Compact discs (and LPs) hire - per 2 week loan	£1.00	£1.50	£0.50	50.00%
Concessions and Under 18's - per 2 week loan	£0.60	£0.75	£0.15	25.00%
Music Practice Room Hire				
Music Practice Room - 30 min	£2.50	£3.00	£0.50	20.00%
Music Practice Room - 1 hr	£5.00	£5.00	£0.00	0.00%
Loan of orchestral and choral sets from the Library of Birmingham				
Standard charge (Concession for Birmingham Societies)				
Orchestral Set - Premium	New Charge	£40.00	New Charge	N/A
Orchestral Set - Long	£30 (£20)	£30 (£20)	£0.00	0.00%
Orchestral Set - Short	£20 (£10)	£20 (£10)	£0.00	0.00%
Band Set - Per set	£10 (£7)	£10 (£7)	£0.00	0.00%
Vocal Set - Long	£30 (£20) per bloc of upto 30 copies	£1.00 (0.65) per copy	N/A restructured pricing to make fairer model	
Vocal Set - Compilation	-	£0.60 (0.40) per copy	New Charge	

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Vocal Set - Short	£20 (£10) per bloc of upto 30 copies	£0.40 (0.25) per copy	N/A restrucured pricing to make fairer model	
Overdue charge - for late or incomplete return of music sets (including sets of choral sets)	£6.00	£6.00	£0.00	0.00%
Maximum overdue charge per music set	£24.00	£24.00	£0.00	0.00%
Multi Media				
Top 50 Videos and DVDs - 2 night hire	£2.50	£2.50	£0.00	0.00%
All other videos and DVDs - 7 night hire	£1.50	£1.50	£0.00	0.00%
Charges for lost or damaged material				
In print and commercially available items	full cost	full cost	N/A	N/A
Out of print or non commercially available items	£20.00	£20.00	£0.00	0.00%
Children under 5 and children or adults in exempt borrower categories are				
Lost Library Cards	£2.00	£2.50	£0.50	25.00%
Lost Library Cards - Under 18 years old	£1.00	£1.25	£0.25	25.00%
Photocopies, Printouts and Photographs				
Photocopies (staff supplied) A3 and A4	£0.25	£0.30	£0.05	20.00%
Photocopies (coin-operated) A4 B&W	£0.10	£0.20	£0.10	100.00%
A4 Colour	£0.50	£0.80	£0.30	60.00%
A3 B&W	£0.20	£0.40	£0.20	100.00%
A3 Colour	£1.00	£2.00	£1.00	100.00%
Printout from public access terminal (per side)A4 B&W	£0.10	£0.20	£0.10	100.00%
A4 Colour	£0.50	£1.00	£0.50	100.00%
A3 B&W	£0.20	£0.40	£0.20	100.00%
A3 Colour	£1.00	£1.50	£0.50	50.00%
Camera permit - Wolfson Centre	£2.00	£3.50	£1.50	75.00%
Personal Scanning				
A4	New Charge	£0.20	New Charge	N/A
A4 Colour	New Charge	£0.70	New Charge	N/A
A3	New Charge	£0.30	New Charge	N/A
A3 Colour	New Charge	£1.50	New Charge	N/A
Digital copying service				
Standard service				
Personal use				
CD/DVD/email with one scanned file/image (Standard rated)	£8.00	£10.00	£2.00	25.00%
per additional image on CD/DVD/email (Standard rated)	£6.00	£8.00	£2.00	33.33%
A5 Print (inc scanning/retrieval charge) (Standard rated)	£11.00	£12.00	£1.00	9.09%
A4 Print (inc scanning/retrieval charge)(Standard rated)	£12.00	£14.00	£2.00	16.67%
A3 Print (inc scanning/retrieval charge)(Standard rated)	£16.00	£18.00	£2.00	12.50%
A2 Print (inc scanning/retrieval charge)(Standard rated)	£40.00	£40.00	£0.00	0.00%
A1 Print (inc scanning/retrieval charge)(Standard rated)	£50.00	£50.00	£0.00	0.00%
P&P for discs and prints (only up to A3 size, UK only)(Standard rated)	£3.00	£3.00	£0.00	0.00%

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Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Commercial and media usage				
Research (where appropriate) per hour	£35.00	£35.00	£0.00	0.00%
Fast track service (minimum charge £35.00) per hour	£70.00	£70.00	£0.00	0.00%
Bespoke orders not covered by above list	Price on negotiation			
Item Licensing	Price on negotiation			
Business Support Charges				
All other databases (Standard rated) per page	£0.10	£0.20	£0.10	100.00%
Mailing Lists (Standard rated) per company	£0.15	£0.30	£0.15	100.00%
Company Financial Reports (Standard rated) per report	£20.00	£20.00	£0.00	0.00%
Market Information & Desk Research (Standard rated) per hour	£75.00	£75.00	£0.00	0.00%
Market research (Standard rated) per report	£25.00	£25.00	£0.00	0.00%
Outsourcing to other local authorities (Standard rated)				
Fax UK per page	£1.20	£1.50	£0.30	25.00%
Fax International per page	£2.20	£2.50	£0.30	13.64%
Genealogy & Research services - Genealogy Research service withdrawn 2011				
Diocesan Records copy certificates service - standard rated	£12.00	£13.00	£1.00	8.33%
Rental of space for records storage - per year per standard shelf	£30.00	£30.00	£0.00	0.00%
Retrieval of stored items- per box	£3.30	£3.50	£0.20	6.06%
CARN card replacement	£1.00	£1.50	£0.50	50.00%
Research fees (closed records)	£32.00	£32.00	£0.00	0.00%
Skills Workshops - delivered by archives staff	£350.00	£350.00	£0.00	0.00%
Facilitated workshops/events - per hour- delivered by third parties	£22.00	£22.00	£0.00	0.00%
Conservation Studio hire - per hour - on request	Price on negotiation			
Digital Lab hire	Price on negotiation			
Conservation repair	New charge	£22.00	New Charge	N/A
Sales				
Discarded Library Books/Recordings/Newspapers - zero rated	Price on negotiation	Price on negotiation		
Memory sticks - per memory stick (standard rated)	£5.00	£6.00	£1.00	20.00%
Disposable headphones - per set (standard rated)	£1.00	£1.50	£0.50	50.00%
Sale of Goods in Retail Outlet				
Room Hire Charges				
Community Libraries	Price on negotiation			
Library of Birmingham	Price on negotiation			
Hire of equipment	Price on negotiation			
Children's Library (LoB) lunch area				
45 minutes per group	New charge	£20.00	New Charge	N/A
1 hour 45 minutes per group	New charge	£35.00	New Charge	N/A
Catering and Hospitality				
	Prices set by operator			
Café				
	Prices set by operator			
Other				
Research Services (FOI)	£16.00	£16.00	£0.00	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Research Services	£100.00	£100.00	£0.00	0.00%
Providing support for public consultation exercises.	Price on negotiation			
Promotional Displays	Price on negotiation			
1 to 1 IT training* (30 minutes)	New charge	£10.00	£10.00	N/A
Laminating				
A4	New charge	£1.00	£1.00	N/A
A3	New charge	£1.50	£1.50	N/A
Filming/Photography				
Film Birmingham charges	Set by Film Birmingham			
Library of Birmingham / Community Libraries				
Per hour/part hour	New charge	£100.00	£100.00	N/A
Service Area	Parks			
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> • Refer to Para 7.1 of Report 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> • To account for inflationary increases in the cost of service delivery • To reduce the subsidy associated with the delivery of sports pitch hire • To ensure that parks and leisure activities remain accessible to residents • To achieve a more efficient use of events space • Negotiate on event space hire in key assets to optimise financial returns and provide bespoke prices for events 			
Link to Budget 2019+	PL129 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Individual Use of Facilities				
Bowls				
Adult	£5.75	£6.25	£0.50	8.70%
Juniors/Concessions	£3.50	£3.75	£0.25	7.14%
Season Ticket (Standard).	£85.00	£90.00	£5.00	5.88%
Team Match	£65.00	£70.00	£5.00	7.69%
Fishing				
Day Ticket - Adult	£12.50	£13.25	£0.75	6.00%
Juniors/Concessions	£6.00	£6.25	£0.25	4.17%
Fishing Season Ticket:-				
All park sites	£95.00	£100.00	£5.00	5.26%
Redgra Pitches (Inclusive of lights)				
Without changing facilities:				
Adult	£59.00	£65.00	£6.00	10.17%
Junior	£29.50	£32.50	£3.00	10.17%
With changing facilities:				
Adult	£90.00	£100.00	£10.00	11.11%
Junior	£53.50	£60.00	£6.50	12.15%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Birmingham Wildlife Conservation Park Admission Charges				
Adults	£6.25	£6.75	£0.50	8.00%
Adults accompanying a child under 3 years	£6.25	£6.75	£0.50	8.00%
Senior Citizens, Students	£5.00	£5.30	£0.30	6.00%
Child aged 3 to 15 years inclusive	£3.30	£3.50	£0.20	6.06%
Children under 3	Free	Free		
Family Day Ticket:	£20.00	£21.75	£1.75	8.75%
(2 adults plus maximum of 3 children aged 3 - 15 years)				
Family Day Ticket:	£14.50	£15.75	£1.25	8.62%
(1 adult + 3 child aged 3 - 15 years)				
Family Season Ticket:	£72.50	£78.75	£6.25	8.62%
(2 adults plus maximum number of 3 children aged 3 - 15 years)				
Single Adult Season Ticket:	£52.00	£56.50	£4.50	8.65%
(1 adult plus maximum number of 3 children aged 3- 15 years)				
Concessionary Season Ticket:	£46.00	£48.75	£2.75	5.98%
(Senior Citizens)				
Family Season Ticket incl. Car Parking	£105.00	£115.00	£10.00	9.52%
(2 adults plus maximum number of 3 children aged 3 - 15 years)				
Single Adult Season Ticket incl. Car Parking	£75.00	£82.00	£7.00	9.33%
(1 adult plus maximum number of 3 children aged 3- 15 years)				
Concessionary Season Ticket incl. Car Parking	£67.00	£73.25	£6.25	9.33%
(Senior Citizens)				
Use of Parks (Events)				
Community use including friends groups and volunteers = subject to negotiation				
Cannon Hill & Sutton Park				
Small Events (attendance up to 499)				
Commercial - operational days	Bespoke service - prices subject to be negotiated with customer			
Commercial - set-up/dismantling days	Bespoke service - prices subject to be negotiated with customer			
Non commercial (incl. charities) - operational days	Bespoke service - prices subject to be negotiated with customer			
Non commercial (inc charities) - set-up/dismantling days	Bespoke service - prices subject to be negotiated with customer			
Major Events (attendance 500 or more)				
Commercial - operational days	Bespoke service - prices subject to be negotiated with customer			
Commercial - set-up/dismantling days	Bespoke service - prices subject to be negotiated with customer			
Non commercial (incl. charities) - operational days	Bespoke service - prices subject to be negotiated with customer			
Non commercial (inc charities) - set-up/dismantling days	Bespoke service - prices subject to be negotiated with customer			
Eastside Park, Handsworth Park, Kings Heath Park, Lickey Hills (including Cofton and Perry Parks for major concerts & events with attendances above 20,000)				
Small Events (attendance up to 499)				
Commercial - operational days	£1,900.00	£2,050.00	£150.00	7.89%
Commercial - set-up/dismantling days	£950.00	£1,025.00	£75.00	7.89%
Non commercial (incl. charities) - operational days	£525.00	£565.00	£40.00	7.62%
Non commercial (incl. charities) - set-up/dismantling days	£262.50	£282.50	£20.00	7.62%
Major Events (attendance 500 or more)				
Commercial - operational days	£3,800.00	£4,100.00	£300.00	7.89%
Commercial - set-up/dismantling days	£1,900.00	£2,050.00	£150.00	7.89%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Non commercial (incl. charities) - operational days	£1,050.00	£1,130.00	£80.00	7.62%
Non commercial (incl. charities) - set-up/dismantling days	£525.00	£565.00	£40.00	7.62%
All Other Sites (all sites)				
Small Events (attendance up to 499)				
Commercial - operational days	£505.00	£540.00	£35.00	6.93%
Commercial - set-up/dismantling days	£252.50	£270.00	£17.50	6.93%
Non commercial (incl. charities) - operational days	£160.00	£170.00	£10.00	6.25%
Non commercial (incl. charities) - set-up/dismantling days	£80.00	£85.00	£5.00	6.25%
Major Events (attendance 500 or more)				
Commercial - operational days	£1,010.00	£1,080.00	£70.00	6.93%
Commercial - set-up/dismantling days	£505.00	£540.00	£35.00	6.93%
Non commercial (incl. charities) - operational days	£320.00	£340.00	£20.00	6.25%
Non commercial (incl. charities) - set-up/dismantling days	£160.00	£170.00	£10.00	6.25%
Wedding photographs and recordings				
Commercial	£350.00	£375.00	£25.00	7.14%
Non commercial	£80.00	£85.00	£5.00	6.25%
Organised Group Activities e.g. Boot Camp, Forest Schools etc. = a minimum of 12% of gross income				
Filming in Parks				
Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills & Sutton Park				
Up to 1 hour & Students	£110.00	£115.00	£5.00	4.55%
Filming with minimal equipment (hand held)	£275.00	£290.00	£15.00	5.45%
Filming with minimal equipment (hand held)	£440.00	£465.00	£25.00	5.68%
Filming with vehicles and crew	£440.00	£465.00	£25.00	5.68%
Filming with vehicles and crew	£885.00	£935.00	£50.00	5.65%
All Other Sites				
Up to 1 hour & Students	£80.00	£85.00	£5.00	6.25%
Filming with minimal equipment (hand held)	£160.00	£170.00	£10.00	6.25%
	£320.00	£340.00	£20.00	6.25%
Filming with vehicles and crew	£320.00	£340.00	£20.00	6.25%
	£765.00	£815.00	£50.00	6.54%
Season Ticket	£3,520.00	£3,740.00	£220.00	6.25%
Season Ticket	£7,040.00	£7,480.00	£440.00	6.25%
Car Parking				
Cannon Hill Park, upto 4 hours	£2.00	£2.20	£0.20	10.00%
Cannon Hill Park, 4 - 16 1/2 hours	£3.00	£3.30	£0.30	10.00%
Cannon Hill Park	£15.00	£16.50	£1.50	10.00%
Sutton Park - subject to further consultation regarding the rollout of the Parks Car Parking Scheme	£2.00	£2.00	£0.00	0.00%
Parks room hire facilities				
Meeting Room (10 people)	£24.00	£26.20	£2.20	9.17%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Community Room (30 people)	£29.00	£32.30	£3.30	11.38%
Annual charge - minimum fee subject to hire agreement	£2,750.00	£2,800.00	£50.00	1.82%
Charge per teaching area per games session (Senior Citizens)	£70.00	£70.00	£0.00	0.00%
Parks ranger service - educational sessions (including schools)				
Group - max 30	£171.00	£180.00	£9.00	5.26%
Group - max 30	£280.00	£295.00	£15.00	5.36%
Community Group talks or guided walks	£72.50	£75.00	£2.50	3.45%
Equipment hire	£30.00	£35.00	£5.00	16.67%
Service Area	Funfairs in Parks			
Service/Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills & Sutton Park				
Upto 5 Adult Rides	£660.00	£700.00	£40.00	6.06%
6 Adult Rides	£725.00	£770.00	£45.00	6.21%
7 Adult Rides	£825.00	£875.00	£50.00	6.06%
8 Adult Rides	£950.00	£1,005.00	£55.00	5.79%
Upto 9 Adult Rides	£1,060.00	£1,125.00	£65.00	6.13%
All Other Sites				
Upto 5 Adult Rides	£405.00	£430.00	£25.00	6.17%
6 Adult Rides	£435.00	£460.00	£25.00	5.75%
7 Adult Rides	£510.00	£540.00	£30.00	5.88%
8 Adult Rides	£585.00	£620.00	£35.00	5.98%
Upto 9 Adult Rides	£650.00	£690.00	£40.00	6.15%
Service Area	Football			
Service/Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
FOOTBALL - Saturday				
Charge per match				
Senior Match & changing facilities	£86.00	£92.00	£6.00	6.98%
Junior Match & changing facilities	£37.50	£40.00	£2.50	6.67%
Small Sided Match & changing facilities	£21.00	£22.00	£1.00	4.76%
Senior Match no changing facilities	£43.00	£46.00	£3.00	6.98%
Junior Match no changing facilities	£27.50	£29.25	£1.75	6.36%
Small Sided Match & no changing facilities	£15.50	£16.25	£0.75	4.84%
Seasonal Licence* with facilities				
Senior	£1,942.50	£2,050.00	£107.50	5.53%
Junior	£845.25	£890.00	£44.75	5.29%
Small Sided Match & changing facilities	£483.00	£505.00	£22.00	4.55%
Seasonal Licence* without facilities				
Senior	£829.50	£875.00	£45.50	5.49%
Junior	£404.25	£425.50	£21.25	5.26%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Small Sided Match & no changing facilities	£199.50	£208.50	£9.00	4.51%
FOOTBALL - Sunday (AM = game finishes upto & including 11.59am; PM = game				
Charge per match				
Senior Match & changing facilities - PM	£108.00	£115.00	£7.00	6.48%
Senior Match and changing Faculties - AM	£124.00	£133.50	£9.50	7.66%
Junior Match & changing facilities	£49.25	£52.00	£2.75	5.58%
Small Sided Match & changing facilities	£26.25	£27.50	£1.25	4.76%
			£0.00	

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Senior Match no changing facilities - PM	£54.50	£58.00	£3.50	6.42%
Senior Match no changing facilities - AM	£67.50	£72.75	£5.25	7.78%
Junior Match no changing facilities	£27.25	£28.75	£1.50	5.50%
Small Sided Match & no changing facilities	£15.75	£16.50	£0.75	4.76%
			£0.00	
Seasonal Licences*				
Senior Match & changing facilities - PM	£2,155.00	£2,285.00	£130.00	6.03%
Senior Match and changing Faculties - AM	£2,545.00	£2,725.00	£180.00	7.07%
Junior Match & changing facilities	£1,245.00	£1,320.00	£75.00	6.02%
Small Sided Match & changing facilities	£609.00	£645.00	£36.00	5.91%
			£0.00	
Senior Match no changing facilities - PM	£1,255.00	£1,330.00	£75.00	5.98%
Senior Match no changing facilities - AM	£1,490.00	£1,595.00	£105.00	7.05%
Junior Match no changing facilities	£760.00	£805.00	£45.00	5.92%
Small Sided Match & no changing facilities	£378.00	£400.00	£22.00	5.82%
Service Area	Rugby			
Service/Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
RUGBY - Saturday - charge per match				
Senior Match & changing facilities	£80.00	£85.00	£5.00	6.25%
Junior Match & changing facilities	£39.25	£41.50	£2.25	5.73%
Senior Match no changing facilities	£33.25	£35.25	£2.00	6.02%
Junior Match no changing facilities	£28.25	£29.50	£1.25	4.42%
Seasonal Licence* with facilities				
Senior	£1,869.00	£1,985.00	£116.00	6.21%
Junior	£937.00	£990.00	£53.00	5.66%
Seasonal Licence* without facilities			£0.00	
Senior	£866.50	£920.00	£53.50	6.17%
Junior	£435.00	£460.00	£25.00	5.75%
TRAINING SESSIONS WITH FLOODLIGHTS - charge per session				
Midweek with facilities per session	£85.00	£92.50	£7.50	8.82%
Midweek without facilities per session	£55.50	£60.00	£4.50	8.11%
RUGBY - Sunday - charge per match				
Senior Match & changing facilities	£95.00	£101.00	£6.00	6.32%
Junior Match & changing facilities	£47.50	£50.25	£2.75	5.79%
Senior Match no changing facilities	£46.50	£49.25	£2.75	5.91%
Junior Match no changing facilities	£28.25	£29.50	£1.25	4.42%
Seasonal Licence* with facilities				
Senior	£2,426.00	£2,577.00	£151.00	6.22%
Junior	£1,213.00	£1,281.50	£68.50	5.65%
Seasonal Licence* without facilities				
Senior	£1,372.00	£1,457.00	£85.00	6.20%
Junior	£677.50	£707.50	£30.00	4.43%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Service Area				
Cricket				
Service/Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
CRICKET - Evening & Sat				
charging per match				
Senior Match & changing facilities	£62.00	£62.00	£0	0.00%
Junior Match & changing facilities	£34.00	£34.00	£0	0.00%
Senior Match no changing facilities	£37.00	£37.00	£0	0.00%
Junior Match no changing facilities	£23.00	£23.00	£0	0.00%
Practice Nets - Per session (Half Day)	£24.00	£24.00	£0	0.00%
Seasonal License Grade 1 Facilities (Handsworth Park only)	£1,215.00	£1,215.00	£0.00	0.00%
Seasonal Licence* with facilities				
Senior	£770.00	£770.00	£0.00	0.00%
Junior	£418.00	£418.00	£0.00	0.00%
Seasonal Licence* without facilities				
Senior	£465.00	£465.00	£0.00	0.00%
Junior	£246.00	£246.00	£0.00	0.00%
CRICKET - Sunday				
Charging per match				
Senior Match changing facilities	£80.00	£80.00	£0.00	0.00%
Junior Match & changing facilities	£45.00	£45.00	£0.00	0.00%
Senior Match no changing facilities	£50.00	£50.00	£0.00	0.00%
Junior Match no changing facilities	£27.00	£27.00	£0.00	0.00%
Practice Nets - Per session (Half Day)	£25.00	£25.00	£0.00	0.00%
Seasonal License Grade 1 Facilities (Handsworth Park only)	£1,610.00	£1,610.00	£0.00	0.00%
Seasonal Licence* with facilities				
Senior	£1,016.00	£1,016.00	£0.00	0.00%
Junior	£540.00	£540.00	£0.00	0.00%
Seasonal Licence* without facilities				
Senior	£660.00	£660.00	£0.00	0.00%
Junior	£343.00	£343.00	£0.00	0.00%
Artificial Wicket Hire (no changing facilities) - Seasonal Licence	£100.00	£100.00	£0.00	0.00%
Artificial Wicket Hire (no changing facilities) - per match	£37.00	£37.00	£0.00	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Service Area	Birmingham Translation &			
Specific Legislation Impacting on Charging	• Refer to Para 7.1 of Report			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> • To account for inflationary increase in the cost of service delivery • To move towards full cost recovery and make a greater contribution to overheads • To ensure prices remain attractive in a competitive market place 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Translations (French, German, Italian & Spanish)	£12.50 per hundred words	£12.50 per hundred words	£0.00	0.00%
Translations most other languages (rarer languages may incur a surcharge)	£15.00 per hundred words	£15.00 per hundred words	£0.00	0.00%
Translation certificate	£10.00	£15.00	£5.00	50.00%
Statement of Truth certificate for translations	£20.00	£20.00	£0.00	0.00%
Notarisation	£80.00	£80.00	£0.00	0.00%
Transcription	priced per project	priced per project	£0.00	0.00%
Urgent translations - additional fee	£60.00	£90.00	£30.00	50.00%
Admin fee for processing translations	New Charge	£10.00	£10.00	N/A
Copies of translations requested at time of booking	£5.00	£10.00	£5.00	100.00%
Copies of translations previously provided	£5.00	£20.00	£15.00	300.00%
Proofreading	£25 per hour	£0.00	£0.00	0.00%
Formatting translations	priced per project	£0.00	£0.00	0.00%
Interpreting - 1 hour including travel expenses (office hours within Birmingham)	£60.00	£60.00	£0.00	0.00%
Interpreting (office hours within Birmingham)	£35 per hour + £5 travel	£35 per hour + £5 travel	£0.00	0.00%
Same day interpreter bookings	£20.00	£20.00	£0.00	0.00%
Amendments to interpreter bookings	£10.00 per amendment	£10.00 per amendment	£0.00	0.00%
Cancellations	50% - 100% of booking fee	50% - 100% of booking fee	£0.00	0.00%
Telephone interpreting	£1.20 per minute	£1.20 per minute	£0.00	0.00%
British Sign Language (BSL) interpreting	£80 per hour + travel	£80 per hour + travel	£0.00	0.00%
BSL interpreting cancellations	50% - 100% of booking fee +£10 admin fee	50% - 100% of booking fee +£10 admin fee	£0.00	0.00%
Same day BSL interpreter bookings	£15.00	£15.00	£0.00	0.00%
Amendments to BSL interpreter bookings	£10 per amendment	£10 per amendment	£0.00	0.00%
Braille	£1 per side of Braille paper	£1 per side of Braille paper	£0.00	0.00%
Audio recording	£15 per hour	£15 per hour	£0.00	0.00%
Admin fee for processing large print & audio	New Charge	£10.00	£10.00	N/A
Admin fee for processing BSL interpreter requests	New Charge	£10.00	£10.00	N/A
Admin fee for urgent interpreter bookings	£10.00	£20.00	£10.00	100.00%
Minimum travel expense fee (within Birmingham)	£5.00	£10.00	£5.00	100.00%
Interpreter CPD sessions	£20 per session	£20 per session	£0.00	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Service Area				
Garden and Bulky Waste				
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To increase prices in line with a number of other authorities To achieve the proposals within the Budget 2019+ To maximise efficiency of bulky waste service by increasing number of items collected 			
Link to Budget 2019+	PL128 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Garden Waste (Annual)	£40.00	£50.00	£10.00	25.00%
Bulky Waste (Per collection)	£25.00	£35.00	£10.00	40.00%
Online payment discount	£2.00	£2.00	£0.00	0.00%
Promotional discounts (e.g. Early Bird)	Discretionary	Discretionary	N/A	N/A
Service Area				
Trade Waste Collection				
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Environmental Protection Act 1990 Refer to paragraph 7.1 of report 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increases in the cost of service delivery To optimise financial performance of the service To ensure prices remain attractive in a competitive market To negotiate with customers to optimise financial performance and provide bespoke service packages to customers 			
Link to Budget 2019+	PL120 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	% Change
Sacks (Annual Contract)	Commercial Service prices to be negotiated with customer			
Sacks (Quarterly Contract)	Commercial Service prices to be negotiated with customer			
Sacks Pre paid	Commercial Service prices to be negotiated with customer			
Sacks City Centre	Commercial Service prices to be negotiated with customer			
Wheeled Bins (240 litres)	Commercial Service prices to be negotiated with customer			
Wheeled Bins (360 litres)	Commercial Service prices to be negotiated with customer			
Wheeled Bins (660 litres – 50kg net)	Commercial Service prices to be negotiated with customer			
Wheeled Bins (660 litres – 80kg net)	Commercial Service prices to be negotiated with customer			
Continental Containers (1100 litres – 150kg net)	Commercial Service prices to be negotiated with customer			
Continental Containers (1100 litres – 180kg net)	Commercial Service prices to be negotiated with customer			
Continental Containers (1280 litres)	Commercial Service prices to be negotiated with customer			
Paladins (0.96m ³ containers)	Commercial Service prices to be negotiated with customer			
Powell Duffryn	Commercial Service prices to be negotiated with customer			
Skips by Individual Load (6.12 m ³)	Commercial Service prices to be negotiated with customer			
Skips by Individual Load (10.70 m ³)	Commercial Service prices to be negotiated with customer			
Front Loading (9.18 m ³)	Commercial Service prices to be negotiated with customer			
Skips using Rear End Loading Vehicle (6.12 m ³)	Commercial Service prices to be negotiated with customer			
Skips using Rear End Loading Vehicle (10.70 m ³)	Commercial Service prices to be negotiated with customer			
Rolonof (Price will be dependent on type of material collected/disposed)	Commercial Service prices to be negotiated with customer			
Minimum charge for one hour	Commercial Service prices to be negotiated with customer			
Minimum charge for half hour	Commercial Service prices to be negotiated with customer			
Issue of Duty of Care Certificate (Annual Season Ticket)	Commercial Service prices to be negotiated with customer			
Reconnection charge[1]	Commercial Service prices to be negotiated with customer			

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
[1] The reconnection fee is to cover costs relating to non-payment of invoices				
Hire of Mechanical Sweeping Vehicle and Driver				
Minimum charge for one hour	Commercial Service prices to be negotiated with customer			
Emptying of cesspools (per visit)	Commercial Service prices to be negotiated with customer			
Commercial clinical waste collection: Sacks	Commercial Service prices to be negotiated with customer			
Commercial Clinical waste box (4 litres)	Commercial Service prices to be negotiated with customer			
Commercial Clinical waste box (30 litres)	Commercial Service prices to be negotiated with customer			
Clinical Waste Three Part Consignment Note	Commercial Service prices to be negotiated with customer			
Trade Recycling Collections				
Trade recycling services fulfil a demand from businesses to recycle more of their				
The following table shows the charges previously agreed for 2017/18 and the				
Prepaid Cardboard Recycling Tape - 50m Roll	Commercial Service prices to be negotiated with customer			
240 litre Recycling Container Paper & Cardboard	Commercial Service prices to be negotiated with customer			
240 litre Recycling Container Mixed Multi	Commercial Service prices to be negotiated with customer			
360 litre Recycling Container Paper & Cardboard	Commercial Service prices to be negotiated with customer			
360 litre Recycling Container Mixed Multi	Commercial Service prices to be negotiated with customer			
660 litre Recycling Container Paper and Cardboard	Commercial Service prices to be negotiated with customer			
660 litre Recycling Container Mixed Multi	Commercial Service prices to be negotiated with customer			
Consideration will be given to free paper & card recycling services to use as a competitive edge for significant contracts i.e. worth more than £7,000 per annum.	Commercial Service prices to be negotiated with customer			
1100 Glass Recycling	Commercial Service prices to be negotiated with customer			
[2] This new service is under utilised and as part of a marketing strategy it is proposed to keep it at its current rate.				
Trade Waste Street Cleaning Events Rates				
Beat Sweepers/Litter Pickers (per hour)	Commercial Service prices to be negotiated with customer			
Driver (per hour)	Commercial Service prices to be negotiated with customer			
Class 2 Driver (per hour)	Commercial Service prices to be negotiated with customer			
Small Mechanical Sweeper (per hour)	Commercial Service prices to be negotiated with customer			
Large Mechanical Sweeper (per hour)	Commercial Service prices to be negotiated with customer			
Sideloader - 3 Crew (per hour)	Commercial Service prices to be negotiated with customer			
Alley Cat - 3 Crew (per hour)	Commercial Service prices to be negotiated with customer			

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Service Area				
Sport & Leisure				
<i>Prices in Sport and Leisure are for reference by Cabinet and Full Council only. The prices below were agreed via a Cabinet Member Decision and implemented from 1 January 2019.</i>				
Specific Legislation Impacting on Charging	• Refer to Para 7.1 of Report			
Rationale for change in pricing/pricing policy	• To account for inflationary increases in the cost of service delivery			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Birmingham Alexander Stadium				
ATHLETICS				
Senior Athletics Events	£1,196.00	£1,255.80	£59.80	5.00%
Junior Athletics Events	£808.50	£849.00	£40.50	5.01%
OTHER FACILITIES				
Additional Staff (e.g. Stewards)	£23.00	£24.50	£1.50	6.52%
Additional outside throwing cage	£163.00	£171.00	£8.00	4.91%
Additional pole vault runway	£163.00	£171.00	£8.00	4.91%
Additional high jump bed (max = 3)	£163.00	£171.00	£8.00	4.91%
Additional Stand	£228.00	£240.00	£12.00	5.26%
Floodlighting	£71.00	£74.50	£3.50	4.93%
Prices are for Commercial use and may be reduced at the Managers discretion for Community use				
Prices are for Commercial use and may be reduced at the Managers discretion for Community use, to include the use of: Main Stand Accommodation Commentary Box and Public Address System One Throwing Cage One Pole Vault Runway/Bed One High Jump Bed Physio Block Two Members of Staff on Trackside	£1,902.00	£1,997.00	£95.00	4.99%
All of the above is subject to availability				
OTHER FACILITIES/ACTIVITIES				
Holding Deposit	£595.00	£625.00	£30.00	5.04%
Indoor Hall				
Indoor Hall Exclusive use max 10 per area	£32.00	£33.50	£1.50	4.69%
Indoor Hall Exclusive use per area 13.00-15.30hrs	£69.50	£73.00	£3.50	5.04%
Indoor Hall Exclusive use all areas	£255.00	£267.00	£12.00	4.71%
Indoor Hall per session Adult	£5.40	£5.70	£0.30	5.56%
Indoor Hall per session Junior	£2.80	£3.00	£0.20	7.14%
Indoor Hall per session PTL	£4.20	£4.50	£0.30	7.14%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
GMAC				
Kitchen	£30.50	£32.00	£1.50	4.92%
Viewing Gallery	£30.50	£32.00	£1.50	4.92%
Meeting Room	£30.50	£32.00	£1.50	4.92%
Martial Arts Room 1	£75.00	£79.00	£4.00	5.33%
Martial Arts Room 2	£59.00	£62.00	£3.00	5.08%
Martial Arts Room 3	£59.00	£62.00	£3.00	5.08%
GMAC activities				
Aikido Adult	£6.30	£6.60	£0.30	4.76%
Aikido Junior	£4.80	£5.00	£0.20	4.17%
Judo Adult	£6.40	£6.80	£0.40	6.25%
Judo Junior	£3.40	£3.60	£0.20	5.88%
Karate Adult	£6.30	£6.60	£0.30	4.76%
Karate Junior	£4.80	£5.00	£0.20	4.17%
Karate Family	£13.60	£14.30	£0.70	5.15%
Conferences/Meeting Facilities				
Back Straight Stand Large Office	£532.35	£559.00	£26.65	5.01%
Denis Howell Suite	£355.00	£373.00	£18.00	5.07%
Denis Howell Suite	£239.00	£251.00	£12.00	5.02%
Denis Howell Suite	£83.50	£88.00	£4.50	5.39%
Hospitality Suite	£270.00	£283.50	£13.50	5.00%
Hospitality Suite	£161.00	£169.00	£8.00	4.97%
Hospitality Suite	£59.00	£62.00	£3.00	5.08%
Seminar Room	£270.00	£283.50	£13.50	5.00%
Seminar Room	£161.00	£169.00	£8.00	4.97%
Seminar Room	£59.00	£62.00	£3.00	5.08%
VIP Boxes	£171.00	£180.00	£9.00	5.26%
VIP Boxes	£114.00	£120.00	£6.00	5.26%
VIP Boxes	£38.00	£40.00	£2.00	5.26%
Lounge	£227.00	£339.00	£112.00	49.34%
Lounge	£144.50	£151.50	£7.00	4.84%
Lounge	£46.00	£48.50	£2.50	5.43%
Physio				
Squad Booking				
Regional Coaching Days or Nat Squad Events				
<i>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.</i>				
For all Sport and Leisure fees and charges Adults are classified as people aged 16years and over				
Community Leisure Centres				
<i>Fees are inclusive of VAT where applicable</i>				
FACILITIES				
Sports Hall				
Sports Hall - whole - Shard End Adult	£45.00	£47.50	£2.50	5.56%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Sports Hall - whole - Bartley Green Adult	£47.00	£50.00	£3.00	6.38%
Sports Hall - whole - Shard End Junior	£29.00	£30.50	£1.50	5.17%
Tarmac/Hard Surface	£18.50	£19.50	£1.00	5.41%
Social Events	Prices subject to negotiation with customer			
Commercial Room Hire	Prices subject to negotiation with customer			
ACTIVITIES				
Badminton				
Kingstanding	£9.00	£9.00	£0.00	0.00%
Bartley Green	£9.00	£9.00	£0.00	0.00%
Saltley	£9.00	£9.00	£0.00	0.00%
Netball				
Netball Court - indoor - Saltley	£47.50	£50.00	£2.50	5.26%
Netball Court - indoor - Kingstanding	£32.50	£34.00	£1.50	4.62%
Cricket				
Cricket Nets - Saltley	£30.50	£32.00	£1.50	4.92%
Fitness session - Adult				
Bartley Green	£6.30	£6.70	£0.40	6.35%
Fitness session - Junior				
Shard End	£3.80	£4.00	£0.20	5.26%
Bartley Green	£3.20	£3.40	£0.20	6.25%
Group Fitness (Exercise classes)				
Shard End	£5.00	£5.30	£0.30	6.00%
MISCELLANEOUS CHARGES				
Equipment Hire	£2.20	£2.30	£0.10	4.55%
PASSPORT TO LEISURE				
Registration Fee				
Birmingham Residents	£6.00	£6.00	£0.00	0.00%
Birmingham Residents Over 70	£0.00	£0.00	£0.00	0.00%
PTL discounts up to 20% on a range of activities				
Sports Development				
Tennis / Gymnastics / Swimming				
<i>Fees are inclusive of VAT where applicable</i>				
TENNIS DEVELOPMENT 12 Weeks unless Stated				
JUNIOR				
Mini Tots	£58.00	£61.00	£3.00	5.17%
Mini Tots - PTL	£46.50	£49.00	£2.50	5.38%
Mini Tennis - Red 45 min	£77.50	£81.50	£4.00	5.16%
Mini Tennis - Red 45 min - PTL	£62.00	£65.50	£3.50	5.65%
Mini Tennis - Orange 45 min	£77.50	£81.50	£4.00	5.16%
Mini Tennis - Orange 45 min - PTL	£62.00	£65.50	£3.50	5.65%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Mini Tennis - Green - 1 hour	£102.00	£107.00	£5.00	4.90%
Mini Tennis - Green - 1 hour - PTL	£81.50	£85.50	£4.00	4.91%
Junior Tennis 1 & 2	£120.00	£126.00	£6.00	5.00%
Junior Tennis 1 & 2 - PTL	£96.00	£101.00	£5.00	5.21%
Teen Tennis 1, 2 & 3	£119.70	£126.00	£6.30	5.26%
Teen Tennis 1, 2 & 3 - PTL	£95.50	£101.00	£5.50	5.76%
Teen Tennis 1, 2 & 3 - Outdoors	£89.00	£93.50	£4.50	5.06%
Teen Tennis 1, 2 & 3 - Outdoors - PTL	£71.50	£75.00	£3.50	4.90%
ADULT				
Adult - 60 mins - beginner	£120.00	£126.00	£6.00	5.00%
Adult - 60 mins - beginner - PTL	£96.00	£101.00	£5.00	5.21%
Adult - 90 mins	£137.50	£144.50	£7.00	5.09%
Adult - 90 mins - PTL	£110.00	£115.50	£5.50	5.00%
Adult - drill & tactics	£101.00	£106.00	£5.00	4.95%
Adult - drill & tactics - PTL	£80.50	£84.50	£4.00	4.97%
Adult - rusty rackets (6 weeks)	£49.00	£51.50	£2.50	5.10%
Adult - rusty rackets (6 weeks) - PTL	£39.50	£41.50	£2.00	5.06%
Course less than 12 weeks will be pro-rata.				
GYMNASTICS DEVELOPMENT				
JUNIOR GYMNASTS				
Elite Gymnastics - 4+ Sessions per week	£69.50	£73.00	£3.50	5.04%
2nd Child - 4 Sessions	£52.00	£55.00	£3.00	5.77%
3rd Child - 4 Sessions	£45.00	£47.50	£2.50	5.56%
Elite Gymnastics - 4+ Sessions PTL	£55.50	£58.50	£3.00	5.41%
Elite Gymnastics - 3 Sessions per week	£54.50	£57.50	£3.00	5.50%
2nd Child - 3 Sessions	£41.00	£43.00	£2.00	4.88%
3rd Child - 3 Sessions	£35.50	£37.50	£2.00	5.63%
Elite Gymnastics - 3 Sessions PTL	£43.50	£46.00	£2.50	5.75%
Elite Gymnastics - 1- 2 Sessions per week	£40.00	£42.00	£2.00	5.00%
2nd Child - 1 - 2 Sessions	£30.00	£31.50	£1.50	5.00%
3rd Child - 1 -2 Sessions	£26.50	£28.00	£1.50	5.66%
Elite Gymnastics - 1- 2 Sessions PTL	£32.00	£33.50	£1.50	4.69%
Recreational Classes	£64.00	£67.50	£3.50	5.47%
Recreational Classes - 2nd Child	£47.50	£50.00	£2.50	5.26%
Recreational Classes - 3rd Child	£41.00	£43.00	£2.00	4.88%
Recreational Classes PTL	£51.50	£54.00	£2.50	4.85%
Advanced Recreational Class	£94.50	£99.50	£5.00	5.29%
Recreational Classes - 2nd Child	£71.50	£75.00	£3.50	4.90%
Recreational Classes - 3rd Child	£62.50	£65.50	£3.00	4.80%
Recreational Classes PTL	£75.50	£79.50	£4.00	5.30%
4th Child FREE for all groups				

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
ADULT	Exempt			
Floor Gymnastics	£6.30	£6.62	£0.32	5.00%
PTL	£5.70	£5.99	£0.29	5.00%
SWIMMING DEVELOPMENT				
Open National Group - City Resident	£85.00	£89.50	£4.50	5.29%
Open National Group - City Non-resident	£95.00	£100.00	£5.00	5.26%
Open National Group - Passport-to-Leisure	£68.00	£71.50	£3.50	5.15%
Open National Group - 2nd Child in Same Group	£63.00	£66.50	£3.50	5.56%
National Development Group - City Resident	£80.00	£84.00	£4.00	5.00%
National Development Group - City Non-resident	£90.00	£94.50	£4.50	5.00%
National Development Group - Passport-to-Leisure	£64.00	£67.50	£3.50	5.47%
National Development Group - 2nd Child in Same Group	£56.00	£59.00	£3.00	5.36%
National Synchronised Group - City Resident	£68.00	£71.50	£3.50	5.15%
National Synchronised Group - City Non-resident	£79.50	£83.50	£4.00	5.03%
National Synchronised Group - Passport-to-Leisure	£54.50	£57.00	£2.50	4.59%
National Synchronised Group - 2nd Child in Same Group	£50.50	£53.00	£2.50	4.95%
Youth Synchronised Group - City Resident	£60.00	£63.00	£3.00	5.00%
Youth Synchronised Group - City Non-resident	£69.00	£72.50	£3.50	5.07%
Youth Synchronised Group - Passport-to-Leisure	£48.00	£50.50	£2.50	5.21%
Youth Synchronised Group - 2nd Child in Same Group	£45.00	£47.50	£2.50	5.56%
Junior Synchronised Group - City Resident	£52.00	£55.00	£3.00	5.77%
Junior Synchronised Group - City Non-resident	£63.50	£67.00	£3.50	5.51%
Junior Synchronised Group - Passport-to-Leisure	£42.00	£44.00	£2.00	4.76%
Junior Synchronised Group - 2nd Child in Same Group	£39.00	£41.00	£2.00	5.13%
Learn to Synchro Swim - City Resident	£23.50	£24.50	£1.00	4.26%
Learn to Synchro Swim -City Non-resident	£27.50	£29.00	£1.50	5.45%
Learn to Synchro Swim - Passport-to-Leisure	£18.50	£19.50	£1.00	5.41%
Learn to Synchro Swim - 2nd Child in Same Group	£16.00	£17.00	£1.00	6.25%
For all Sport and Leisure fees and charges Adults are classified as people aged 16years and over				
Leisure Centres - Facility Hire & Miscellaneous				
<i>Fees are inclusive of VAT where applicable</i>				
INDOOR SPORTS				
8-day Advance Booking Leisure Card membership				
(+ £1.00 per court for 8 day advance booking)				
Sports Hall				
Nechells (8 badminton court hall)	£105.00	£111.00	£6.00	5.71%
Cocks Moors Woods (8 courts)	£110.00	£115.50	£5.50	5.00%
Great Barr (6 courts)	£77.00	£81.00	£4.00	5.19%
Wyndley (5 courts)	£66.00	£70.00	£4.00	6.06%
Fox Hollies (4 court)	£66.00	£70.00	£4.00	6.06%
Handsworth (4 court)	£60.00	£63.00	£3.00	5.00%
Small Heath (4 court)	£50.00	£52.50	£2.50	5.00%
New Stechford (4 court)	£66.00	£70.00	£4.00	6.06%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Badminton				
Fox Hollies	£8.60	£9.00	£0.40	4.65%
Wyndley	£8.60	£9.00	£0.40	4.65%
Cocks Moors Woods	£8.60	£9.00	£0.40	4.65%
Handsworth	£8.60	£9.00	£0.40	4.65%
Small Heath	£8.60	£9.00	£0.40	4.65%
Great Barr	£8.60	£9.00	£0.40	4.65%
Nechells	£8.60	£9.00	£0.40	4.65%
New Stechford	£8.60	£9.00	£0.40	4.65%
Squash				
Fox Hollies	£8.60	£9.00	£0.40	4.65%
Small Heath	£8.60	£9.00	£0.40	4.65%
Wyndley	£8.60	£9.00	£0.40	4.65%
OUTDOOR SPORTS				
Wyndley Artificial Pitch				
Adult	£138.50	£145.50	£7.00	5.05%
Junior	£69.50	£73.00	£3.50	5.04%
1/3 rd Pitch	£47.50	£50.00	£2.50	5.26%
1/3 rd Pitch Junior	£25.00	£26.50	£1.50	6.00%
Wyndley Practice Area	£54.50	£58.00	£3.50	6.42%
Wyndley Practice Area Junior	£27.50	£29.00	£1.50	5.45%
Small Heath - Artificial Pitch				
Adult	£100.00	£105.00	£5.00	5.00%
1/3 rd Pitch	£33.00	£35.00	£2.00	6.06%
Fox Hollies - Artificial Pitch				
Adult	£131.00	£138.00	£7.00	5.34%
Junior	£66.00	£70.00	£4.00	6.06%
1/3 rd Pitch	£43.00	£45.50	£2.50	5.81%
Artificial Pitch - Saltley				
Adult	£120.00	£126.00	£6.00	5.00%
Adult 1/3 Pitch	£48.50	£51.00	£2.50	5.15%
Artificial Pitch - Colmers				
Adult 1/3 Pitch	£41.00	£43.50	£2.50	6.10%
Adult Full Pitch	£123.00	£130.00	£7.00	5.69%
Junior 1/3 Pitch	£31.50	£33.50	£2.00	6.35%
Junior Full Pitch	£93.50	£98.50	£5.00	5.35%
Wyndley Sports Meetings				
Adult - Midweek	£249.00	£261.50	£12.50	5.02%
- Weekend	£303.50	£319.00	£15.50	5.11%
Junior - Midweek	£171.00	£180.00	£9.00	5.26%
- Weekend	£184.00	£193.50	£9.50	5.16%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Netball	£22.00	£23.00	£1.00	4.55%
Nechells - Multi Use Area	£20.00	£21.00	£1.00	5.00%
Cricket : Outdoor Practice Nets	£22.00	£23.00	£1.00	4.55%
BILLESLEY INDOOR TENNIS CENTRE				
Indoor Court Hire				
Peak Times - Adult	£23.00	£24.50	£1.50	6.52%
Peak Times - Junior	£11.50	£12.00	£0.50	4.35%
Off Peak	£9.90	£10.50	£0.60	6.06%
Weekends	£19.00	£20.00	£1.00	5.26%
School Use	£10.70	£11.30	£0.60	5.61%
Outdoor Court Hire				
Peak times - Adult	£11.50	£12.00	£0.50	4.35%
Peak times - Junior	£6.20	£6.50	£0.30	4.84%
Off peak - Adult	£9.00	£9.50	£0.50	5.56%
Off Peak - Junior	£4.80	£5.00	£0.20	4.17%
TABLE TENNIS				
Cocks Moors Woods	£7.40	£7.80	£0.40	5.41%
Fox Hollies	£7.40	£7.80	£0.40	5.41%
Nechells	£8.90	£7.80	-£1.10	-12.36%
Wyndley	£7.40	£7.80	£0.40	5.41%
NON-COMMERCIAL ROOM HIRE				
Room Hire				
Calthorpe Play Centre	£26.00	£27.50	£1.50	5.77%
Stanhope Wellbeing Hub	£26.00	£27.50	£1.50	5.77%
Firs & Bromford Wellbeing Hub	£26.00	£27.50	£1.50	5.77%
Aston Pavillion	£38.50	£40.50	£2.00	5.19%
Conference Suite				
Cocks Moors Woods LC - Conference Suite	£62.00	£65.00	£3.00	4.84%
Cocks Moors Woods LC - Conference Suite	£187.00	£196.50	£9.50	5.08%
Cocks Moors Woods LC - Conference Suite	£312.00	£327.50	£15.50	4.97%
Dance Studio				
Cocks Moors Woods LC - Dance Studio 2	£31.50	£33.00	£1.50	4.76%
Cocks Moors Woods LC - Dance Studio 1	£103.00	£108.00	£5.00	4.85%
Wyndley LC	£31.50	£33.00	£1.50	4.76%
Fox Hollies LC	£30.50	£32.00	£1.50	4.92%
Handsworth	£30.50	£32.00	£1.50	4.92%
Handsworth	£37.00	£39.00	£2.00	5.41%
Harborne	£52.50	£55.50	£3.00	5.71%
New Erdington	£52.50	£55.50	£3.00	5.71%
New Northfield	£52.50	£55.50	£3.00	5.71%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
New Stechford	£52.50	£55.50	£3.00	5.71%
New Sparkhill	£52.50	£55.50	£3.00	5.71%
Indoor/Outdoor Sports				
Short Mat Bowls	£3.80	£4.00	£0.20	5.26%
Running Track	£3.80	£4.00	£0.20	5.26%
For all Sport and Leisure fees and charges Adults are classified as people aged 16years and over				
HEALTH AND FITNESS				
Fitness Gym				
Billesley Tennis Centre	£6.90	£7.20	£0.30	4.35%
Cocks Moors Woods	£6.90	£7.20	£0.30	4.35%
Fox Hollies	£6.90	£7.20	£0.30	4.35%
Alexander Stadium	£6.90	£7.20	£0.30	4.35%
Nechells	£6.40	£6.70	£0.30	4.69%
Saltley	£6.90	£7.20	£0.30	4.35%
Wyndley	£6.90	£7.20	£0.30	4.35%
Kingstanding	£6.90	£7.20	£0.30	4.35%
Shard End	£6.60	£6.90	£0.30	4.55%
Small Heath LC and Nechells	£6.60	£6.90	£0.30	4.55%
Beeches Pool	£6.90	£7.20	£0.30	4.35%
Harborne	£6.90	£7.20	£0.30	4.35%
New Erdington	£6.90	£7.20	£0.30	4.35%
New Northfield	£6.90	£7.20	£0.30	4.35%
New Stechford	£6.90	£7.20	£0.30	4.35%
New Sparkhill	£6.90	£7.20	£0.30	4.35%
<i>Individual PTL - discount 20% off-peak & 10% peak</i>				
<i>Reduced price for juniors</i>				
Programmes				
Induction - Starter Programme	£14.50	£15.50	£1.00	6.90%
Induction - Starter Programme (PTL)	£11.60	£12.40	£0.80	6.90%
Induction - Starter Programme Junior	£7.00	£7.30	£0.30	4.29%
Induction - Personal Programme	£27.50	£29.00	£1.50	5.45%
Induction - Personal Programme (PTL)	£22.00	£23.20	£1.20	5.45%
Programme Review	£2.80	£3.00	£0.20	7.14%
Personal Fitness Trainer 1 to 1	£43.00	£45.00	£2.00	4.65%
Fitness Gym + Sauna combined ticket				
Beeches	£11.00	£11.50	£0.50	4.55%
Gym & Sauna combined ticket PTL price reductions 30% off-peak and 10% peak				
PulsePoint users must be aged over 16, unless under instruction from a suitably qualified coach / instructor				
Handsworth Wellbeing Centre	£9.00	£9.40	£0.40	4.44%
New Erdington	£9.00	£9.40	£0.40	4.44%
New Sparkhill	£9.00	£9.40	£0.40	4.44%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Free Weight Gym Small Heath only				
Individual Session Small Heath LC	£6.60	£6.90	£0.30	4.55%
Induction Small Heath	£7.90	£8.30	£0.40	5.06%
Induction (PTL)	£6.30	£6.60	£0.30	4.76%
PowerPoint users must be aged over 16, unless under instruction from a suitably				
EXERCISE TO MUSIC GROUP CLASSES				
Instructed Classes				
Aerobics (all group fitness classes)	£6.80	£7.10	£0.30	4.41%
AquaTone	£6.80	£7.10	£0.30	4.41%
Aquafit	£6.80	£7.10	£0.30	4.41%
Yoga	£7.50	£7.90	£0.40	5.33%
Body training systems	£6.80	£7.10	£0.30	4.41%
Studio Cycling	£6.80	£7.10	£0.30	4.41%
TONING TABLES @ Kingstanding LC				
Toning Tables	£6.70	£7.00	£0.30	4.48%
Toning Tables (PTL)	£5.40	£5.60	£0.20	3.70%
Toning Tables (Course)	£60.00	£63.00	£3.00	5.00%
HEALTH SUITES				
Sauna, Steam, Turkish				
Steam Room/Sauna	£10.00	£10.50	£0.50	5.00%
Steam/Sauna Cabinet	£4.40	£4.60	£0.20	4.55%
Turkish	£10.50	£11.00	£0.50	4.76%
Turkish PTL	£8.40	£8.80	£0.40	4.76%
Showers				
Adult/Junior	£2.90	£3.00	£0.10	3.45%
MONTHLY MEMBERSHIPS SCHEMES				
Your Choice Memberships paid by Direct Debit				
Premier Choice (Cross service)	£35.50	£37.28	£1.78	5.01%
Fitness Choice (Gym Only Multi site Wellbeing)	£31.00	£32.55	£1.55	5.00%
Fitness Choice (Classes Only Multi Site Wellbeing)	£23.00	£24.15	£1.15	5.00%
Aqua Choice (Swimming Only Multi site Wellbeing)	£25.00	£26.25	£1.25	5.00%
Site specific health & fitness monthly memberships not paid by Direct Debit				
Gym & swim combined	£49.00	£51.45	£2.45	5.00%
Swim only	£37.00	£38.85	£1.85	5.00%
Leisure Centre Booking Card	£17.00	£17.85	£0.85	5.00%
For all Sport and Leisure fees and charges Adults are classified as people aged 16years and over				
SWIMMING POOL REGULAR HIRE				

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Main Pool - Peak				
Wyndley	£143.00	£150.00	£7.00	4.90%
Kingstanding	£145.00	£152.00	£7.00	4.83%
Fox Hollies	£105.00	£110.00	£5.00	4.76%
Beeches	£92.50	£97.00	£4.50	4.86%
Small Heath	£91.50	£96.00	£4.50	4.92%
Handsworth	£80.00	£84.00	£4.00	5.00%
Newtown	£80.00	£84.00	£4.00	5.00%
Moseley Road	£79.00	£83.00	£4.00	5.06%
Harborne	£143.00	£150.00	£7.00	4.90%
New Erdington	£143.00	£150.00	£7.00	4.90%
New Northfield	£143.00	£150.00	£7.00	4.90%
New Stechford	£143.00	£150.00	£7.00	4.90%
New Sparkhill	£143.00	£150.00	£7.00	4.90%
Main Pool - Off Peak				
Kingstanding	£104.00	£109.00	£5.00	4.81%
Wyndley	£94.50	£99.00	£4.50	4.76%
Fox Hollies	£79.00	£83.00	£4.00	5.06%
Beeches	£67.00	£70.00	£3.00	4.48%
Newtown	£67.00	£70.00	£3.00	4.48%
Small Heath	£65.00	£68.00	£3.00	4.62%
Handsworth	£61.00	£64.00	£3.00	4.92%
Moseley Road	£67.00	£70.00	£3.00	4.48%
Harborne	£104.00	£109.00	£5.00	4.81%
New Erdington	£104.00	£109.00	£5.00	4.81%
New Northfield	£104.00	£109.00	£5.00	4.81%
New Stechford	£104.00	£109.00	£5.00	4.81%
New Sparkhill	£104.00	£109.00	£5.00	4.81%
Teaching Pool - Peak				
Wyndley	£84.00	£88.00	£4.00	4.76%
Handsworth	£80.00	£84.00	£4.00	5.00%
Linden Road	£74.50	£78.00	£3.50	4.70%
Newtown	£57.00	£60.00	£3.00	5.26%
Moseley Road	£57.00	£60.00	£3.00	5.26%
Harborne	£84.00	£88.00	£4.00	4.76%
New Erdington	£84.00	£88.00	£4.00	4.76%
New Northfield	£84.00	£88.00	£4.00	4.76%
New Stechford	£84.00	£88.00	£4.00	4.76%
New Sparkhill	£84.00	£88.00	£4.00	4.76%
Teaching Pool - Off Peak				
Wyndley	£57.00	£60.00	£3.00	5.26%
Handsworth	£53.50	£56.00	£2.50	4.67%
Linden Road	£53.50	£56.00	£2.50	4.67%
Newtown	£45.15	£47.50	£2.35	5.20%
Moseley Road	£45.15	£47.50	£2.35	5.20%
Harborne	£57.00	£60.00	£3.00	5.26%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
New Erdington	£57.00	£60.00	£3.00	5.26%
New Northfield	£57.00	£60.00	£3.00	5.26%
New Stechford	£57.00	£60.00	£3.00	5.26%
New Sparkhill	£57.00	£60.00	£3.00	5.26%
OCCASIONAL POOL HIRE - GALA ETC				
Main Pools				
Cocks Moors Woods (Leisure pool)	Managers Discretion	Managers Discretion		
Wyndley	Managers Discretion	Managers Discretion		
Kingstanding (Leisure Pool)	£319.00	£335.00	£16.00	5.02%
Fox Hollies	£184.00	£193.00	£9.00	4.89%
Handsworth	£134.50	£141.50	£7.00	5.20%
Beeches	£134.50	£141.50	£7.00	5.20%
Small Heath	£134.50	£141.50	£7.00	5.20%
Newtown	£134.50	£141.50	£7.00	5.20%
Harborne	£184.00	£193.00	£9.00	4.89%
New Erdington	£184.00	£193.00	£9.00	4.89%
New Northfield	£184.00	£193.00	£9.00	4.89%
New Stechford	£184.00	£193.00	£9.00	4.89%
New Sparkhill	£184.00	£193.00	£9.00	4.89%
School galas/events in normal schools hours	£81.00	£85.00	£4.00	4.94%
Timing Equipment	£69.00	£72.50	£3.50	5.07%
Teaching Pools				
Wyndley	£112.00	£118.00	£6.00	5.36%
Linden Road	£91.00	£95.50	£4.50	4.95%
Handsworth	£83.00	£87.00	£4.00	4.82%
Newtown	£71.50	£75.00	£3.50	4.90%
Stechford	£70.50	£74.00	£3.50	4.96%
Moseley Road	£53.50	£56.00	£2.50	4.67%
Harborne	£112.00	£117.50	£5.50	4.91%
New Erdington	£112.00	£117.50	£5.50	4.91%
New Northfield	£112.00	£117.50	£5.50	4.91%
New Stechford	£112.00	£117.50	£5.50	4.91%
New Sparkhill	£112.00	£117.50	£5.50	4.91%
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.				
Bookings by organisations based outside the city should be subject to a negotiated hire charge, Based on a minimum of the occasional hire charge.				
OTHER CHARGES				
Hire charge for staff lifeguard				
One Leisure Assistant	£28.00	£29.50	£1.50	5.36%
Schools Instruction Programme				
Schools Swimming (including instructor)	£43.00	£45.00	£2.00	4.65%
Schools Swimming (including instructor)	£64.00	£67.00	£3.00	4.69%
Additional Swimming Instructor	£24.00	£25.00	£1.00	4.17%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Swimming Badges				
Distance	£2.90	£3.10	£0.20	6.90%
Skills	£2.90	£3.10	£0.20	6.90%
Badge Sessions award	£3.15	£3.30	£0.15	4.76%
Old Strokes Badges	£2.10	£2.20	£0.10	4.76%
NOTES				
1) If a club whose headquarters are at one of the City Council's Swimming Pools				
2) 25% reduction on hire fee is given to designated lifesaving clubs/groups who				
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				
<i>Fees are inclusive of VAT where applicable</i>				
GENERAL SWIMMING				
Cocks Moors Woods / Fox Hollies / Kingstanding /				
Stechford / Wyndley / Erdington / Sparkhill /				
Harborne / Northfield				
Adult	£5.10	£5.30	£0.20	3.92%
Adult (PTL)	£4.10	£4.30	£0.20	4.88%
Junior under 16	£3.20	£3.40	£0.20	6.25%
Under 5's *	Free	Free	N/A	N/A
Spectator	£0.90	£1.00	£0.10	11.11%
Group swim	£3.00	£3.10	£0.10	3.33%
Family Swim**	£13.60	£14.30	£0.70	5.15%
Family Swim (PTL)	£10.90	£11.40	£0.50	4.59%
All other swimming pools				
Adult	£4.90	£5.10	£0.20	4.08%
Adult (PTL)	£3.90	£4.10	£0.20	5.13%
Junior	£3.10	£3.30	£0.20	6.45%
Junior (PTL)	£2.50	£2.70	£0.20	8.00%
Under 5's *	Free	Free	N/A	N/A
Spectator	£0.90	£1.00	£0.10	11.11%
Group swim	£2.90	£3.10	£0.20	6.90%
Family Swim **	£12.90	£13.60	£0.70	5.43%
Family Swim (PTL)	£10.30	£10.80	£0.50	4.85%
* Under 5's only admitted when accompanied by an adult at all times, both in and out of the water.				
Under 8's - only 2 under 8s allowed in with one adult at all times, both in and out of the water.				
STROKES - SWIMMING INSTRUCTION				
Strokes for Life Course				
Junior	£59.00	£62.00	£3.00	5.08%
Junior PTL	£47.20	£49.60	£2.40	5.08%
Junior Coaching	£65.00	£68.00	£3.00	4.62%
Adult	£69.00	£72.50	£3.50	5.07%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Adult PTL	£55.20	£58.00	£2.80	5.07%
Adult - Sixty Plus	£43.00	£45.20	£2.20	5.12%
Adult - Individual lesson	£8.30	£8.70	£0.40	4.82%
Strokes For Life Adult & Child				
Course Registration Fee	£22.00	£23.10	£1.10	5.00%
Course Individual Lesson Fee (each week)	£3.50	£3.70	£0.20	5.71%
Individual Lesson	£6.00	£6.30	£0.30	5.00%
Mini Splash Session for Parent & Child	£4.90	£5.20	£0.30	6.12%
Strokes For Life Junior Ducklings				
First Strokes course 12 weeks max of 8 children	£65.00	£68.20	£3.20	4.92%
First Strokes course 12 weeks max of 4 children	£113.00	£118.50	£5.50	4.87%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	Pound Change	Percentage Change
Strokes For Life Stage 10				
Canoeing	£65.00	£68.20	£3.20	4.92%
Water polo	£65.00	£68.20	£3.20	4.92%
Synchronised swimming	£65.00	£68.20	£3.20	4.92%
Rookie lifeguard	£65.00	£68.20	£3.20	4.92%
SwimFit	£65.00	£68.20	£3.20	4.92%
Strokes For Life - Challenge awards - 12 week course				
Bronze / Silver / Gold	£59.00	£62.00	£3.00	5.08%
Holiday Crash Courses				
Junior (5-Day)	£28.50	£30.00	£1.50	5.26%
Junior (4-Day)	£25.50	£27.00	£1.50	5.88%
Junior (5-Day)	£39.00	£41.00	£2.00	5.13%
Junior (4-Day)	£33.50	£35.20	£1.70	5.07%
Adult (5-Day)	£38.00	£40.00	£2.00	5.26%
Adult (4-Day)	£28.50	£30.00	£1.50	5.26%
Strokes For Life Premier Strokes Junior				
Junior - individual lesson - one-to-one	£25.50	£27.00	£1.50	5.88%
Junior - Individual less two juniors / one instructor	£22.50	£23.50	£1.00	4.44%
Junior course group of 4	£112.00	£117.50	£5.50	4.91%
Junior - course - group of six	£105.00	£110.00	£5.00	4.76%
Strokes For Life Premier Strokes Adult				
Adult - individual lesson 1 - 1	£24.50	£26.00	£1.50	6.12%
Adult - 12 week	£221.00	£232.00	£11.00	4.98%
Adult - individual lesson 2 - 1	£22.50	£23.50	£1.00	4.44%
Adult - 12 week 1 - 6	£105.00	£110.00	£5.00	4.76%
Adult - 12 week 1 - 4	£123.00	£129.00	£6.00	4.88%
Revised pricing incorrect corporate prices stated				
No PTL price reduction on Premier Strokes individual lessons				
20% PTL price reduction on all other Strokes courses				
STRIKES - GROUP FOOTBALL INSTRUCTION				
12 week courses				
Junior	£59.00	£59.00	£0.00	0.00%
Junior PTL	£47.20	£47.20	£0.00	0.00%
First Kicks 12 week	£43.00	£43.00	£0.00	0.00%
<i>PTL discount is 20% off the standard price</i>				
DRY INSTRUCTION				
12 week courses				
Gymfants - 12 week	£59.00	£62.00	£3.00	5.08%
Gymbounce - 12 week	£59.00	£62.00	£3.00	5.08%
Gymfants P&P	£6.60	£7.00	£0.40	6.06%

ANNEX 1

Service Area		Car Parking		
Specific Legislation Impacting on Service Area		• Road Traffic Regulation Act 1984		
Rationale for change in pricing/pricing policy		<ul style="list-style-type: none"> To ensure free movement and flow of Traffic within Birmingham To support the delivery of the policy objectives within 'Birmingham Connected' 		
Link to Budget 2019+		EC106c 19+		
Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
ON-STREET PARKING CHARGES				
Outer Zone, Jewellery Quarter Zone and Gun Quarter Zone				
Monday to Saturday 8am - 6pm				
Up to 1 hour	£1.10	£1.50	£0.40	36.36%
Up to 2 hours	£1.90	£2.20	£0.30	15.79%
Up to 3 hours	£2.60	£3.00	£0.40	15.38%
Up to 4 hours	£3.60	£4.00	£0.40	11.11%
Outer Zone Season Ticket				
3 months	New Charge	£700.00	New Charge	N/A
6 months	New Charge	£1,300.00	New Charge	N/A
Annual	New Charge	£2,000.00	New Charge	N/A
Overnight 5pm - 9am and all day Sunday				
Annual	£90.00	£100.00	£10.00	11.11%
Overnight 5pm - 9am and all day Saturday & Sunday				
Annual	£190.00	£200.00	£10.00	5.26%
Jewellery Quarter and Gun Zone Season Tickets				
Annual (residents)	£240.00	£250.00	£10.00	4.17%
Annual (local employees)	£310.00	£320.00	£10.00	3.23%
Eastside Zone (Cashless Payment Only)				
Monday to Saturday 8am - 7.30pm				
Up to 1 hour	£1.10	£1.50	£0.40	36.36%
Up to 2 hours	£1.90	£2.20	£0.30	15.79%
Up to 3 hours	£2.60	£3.00	£0.40	15.38%
Up to 4 hours	£3.60	£4.00	£0.40	11.11%
Dale Road (Cashless Payments Only)				
Monday to Saturday 8am - 7pm				
Up to 1 hour	£0.50	£0.70	£0.20	40.00%
Up to 2 hours	£1.00	£1.30	£0.30	30.00%
Up to 3 hours	£1.50	£1.80	£0.30	20.00%
Up to 4 hours	£1.80	£2.00	£0.20	11.11%
RESIDENT PARKING SCHEMES				
Resident Permit				
First Permit	£17.00	£18.00	£1.00	5.88%
Second and Subsequent Permits	£34.00	£36.00	£2.00	5.88%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Resident Visitor Permit				
The permits are available in pads of five permits				
Change per permit	£0.65	£0.70	£0.05	7.69%
Business Permit				
Major Suburban areas	£130.00	£135.00	£5.00	3.85%
Small Suburban areas	£130.00	£135.00	£5.00	3.85%
Business Visitor Permitt				
Change per permit	£1.20	£1.30	£0.10	8.33%
OFF - STREET PARKING CHARGES				
Great Charles Street and Ludgate Hill Car Parks				
Monday - Friday				
Up to 2 hours	£2.70	£3.00	£0.30	11.11%
Up to 4 hours	£4.60	£5.00	£0.40	8.70%
Up to 6 hours	£6.10	£6.50	£0.40	6.56%
Up to 12 hours	£7.00	£7.50	£0.50	7.14%
Up to 24 hours	£8.00	£8.50	£0.50	6.25%
Saturday and Sunday				
All day until midnight	£3.50	£4.00	£0.50	14.29%
PARADISE CIRCUS MULTI - STOREY CAR PARK				
Everyday				
Up to 2 hours	£2.70	£3.00	£0.30	11.11%
Up to 4 hours	£4.60	£5.00	£0.40	8.70%
Up to 6 hours	£6.10	£7.00	£0.90	14.75%
Up to 12 hours	£10.00	£10.50	£0.50	5.00%
Up to 24 hours	£12.00	£13.00	£1.00	8.33%
It is proposed to remove the discounted evening rate of £5.00 for 7 hours				
Season Tickets				
Monday - Friday 7:00 am to 7:00pm				
Three Calendar Months	£550.00	£575.00	£25.00	4.55%
Six Calendar Months	£1,050.00	no change	£0.00	0.00%
Annually	£1,850.00	£1,900.00	£50.00	2.70%
Everyday 7:00 to Midnight				
Three Calendar Months	£650.00	no change	£0.00	0.00%
Six Calendar Months	£1,150.00	no change	£0.00	0.00%
Annually	£2,100.00	no change	£0.00	0.00%
All day every day				
Three Calendar Months	£650.00	£675.00	£25.00	3.85%
Six Calendar Months	£1,250.00	no change	£0.00	0.00%
Annually	£2,250.00	no change	£0.00	0.00%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
SNOW HILL MULTI - STOREY CAR PARK				
Everyday				
Up to 2 hours	£3.00	£4.00	£1.00	33.33%
Up to 4 hours	£5.80	£6.00	£0.20	3.45%
Up to 6 hours	£8.80	£9.00	£0.20	2.27%
Up to 12 hours	£12.00	£12.50	£0.50	4.17%
Up to 24 hours	£14.00	£15.00	£1.00	7.14%
It is proposed to remove the discounted evening rate of £5.00 for up to 5 1/2				
It is proposed to retain the all - day flat rate charge of £1.00 for the parking of motorcycles in the motorcycle bays at this car park				
Season Tickets				
Monday - Friday 7:00 am to 7:00pm				
Three Calendar Months	£650.00	no change	£0.00	0.00%
Six Calendar Months	£,1275	no change	£0.00	0.00%
Annually	£2,500.00	no change	£0.00	0.00%
Everyday 7:00 to Midnight				
Three Calendar Months	£775.00	no change	£0.00	0.00%
Six Calendar Months	£1,500.00	no change	£0.00	0.00%
Annually	£2,750.00	no change	£0.00	0.00%
All day every day				
Three Calendar Months	£920.00	no change	£0.00	0.00%
Six Calendar Months	£1,800.00	no change	£0.00	0.00%
Annually	£3,400.00	no change	£0.00	0.00%
Exclusive Use Area				
All day everyday				
Cars				
Three Calendar Months	£950.00	no change	£0.00	0.00%
Six Calendar Months	£1,900.00	no change	£0.00	0.00%
Annually	£3,500.00	no change	£0.00	0.00%
Motorcycles				
Three Calendar Months	£170.00	£75.00	-£95.00	-55.88%
Six Calendar Months	£310.00	£120.00	-£190.00	-61.29%
Annually	£580.00	£230.00	-£350.00	-60.34%
TOWN HALL MULTI - STOREY CAR PARK				
Everyday				
Up to 2 hours	£3.00	£4.00	£1.00	33.33%
Up to 4 hours	£5.80	£6.00	£0.20	3.45%
Up to 6 hours	£8.80	£9.00	£0.20	2.27%
Up to 12 hours	£12.00	£12.50	£0.50	4.17%
Up to 24 hours	£14.00	£15.00	£1.00	7.14%
It is proposed to remove the discounted evening rate of £5.00 for up to 6 hours				

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Season Tickets				
Monday - Friday 7:00 am to 7:00pm				
Three Calendar Months	£650.00	no change	£0.00	0.00%
Six Calendar Months	£1,275.00	no change	£0.00	0.00%
Annually	£2,500.00	no change	£0.00	0.00%
Monday - Friday 7:00pm to Midnight				
Three Calendar Months	£700.00	no change	£0.00	0.00%
Six Calendar Months	£1,380.00	no change	£0.00	0.00%
Annually	£2,700.00	no change	£0.00	0.00%
All day every day				
Three Calendar Months	£850.00	£900.00	£50.00	5.88%
Six Calendar Months	£1,600.00	£1,650.00	£50.00	3.13%
Annually	£2,800.00	£2,900.00	£100.00	3.57%
Residents All Day Every Day				
Three Calendar Months	£200.00	£300.00	£100.00	50.00%
Six Calendar Months	£400.00	£550.00	£150.00	37.50%
DUDLEY STREET & NAVIGATION STREET CAR PARK				
Everyday				
All day (motorcycles only)	£1.00	no change	£0.00	0.00%
Up to 2 hours	£3.00	£3.50	£0.50	16.67%
Up to 4 hours	£6.00	no change	£0.00	0.00%
Up to 6 hours	£9.00	no change	£0.00	0.00%
Up to 12 hours	n/a	£12.00	£0.00	0.00%
Up to 24 hours	n/a	£14.00	£0.00	0.00%
It is proposed to remove the 6 hour maximum parking stay at these car parks				
It is proposed to remove the discounted evening rate of £5.00 for up to 6 hours parking				
It is proposed to retain the all-day flat rate charge of £1.00 for the parking of motorcycles in the motorcycle bays at Dudley Street car park				
MILLENIUM POINT MULTI-STOREY CAR PARK				
Everyday				
Up to 2 hours	£2.80	£3.00	£0.20	7.14%
Up to 4 hours	£4.50	£5.00	£0.50	11.11%
Up to 6 hours	£5.00	£5.50	£0.50	10.00%
Up to 12 hours	£6.00	£6.50	£0.50	8.33%
Up to 24 hours	£8.00	£9.00	£1.00	12.50%
Season Tickets				
Monday - Friday 7:00am - 7:00pm				
Three Calendar Months	£260.00	£280.00	£20.00	7.69%
Six Calendar Months	£470.00	£490.00	£20.00	4.26%
Annually	£900.00	£920.00	£20.00	2.22%
All Day Every Day				
Three Calendar Months	£370.00	£390.00	£20.00	5.41%
Six Calendar Months	£700.00	£720.00	£20.00	2.86%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Annually	£1,200.00	£1,220.00	£20.00	1.67%
JEWELLERY QUARTER MULTI-STOREY CAR PARK				
Everyday				
Up to 2 hours	£1.70	£2.00	£0.30	17.65%
Up to 4 hours	£2.70	£3.00	£0.30	11.11%
Up to 6 hours	£4.00	£4.50	£0.50	12.50%
Up to 10 hours	£6.00	£6.50	£0.50	8.33%
Season Tickets				
All day Every Day				
Three Calendar Months	£245.00	no change	£0.00	0.00%
Six Calendar Months	£460.00	no change	£0.00	0.00%
Annually	£845.00	no change	£0.00	0.00%
Levels 4, 5 and 6 Local employees only)				
Annually	£360.00	£380.00	£20.00	5.56%
MARKETS & PERSHORE STREET MULTI-STOREY CAR PARK				
Everyday				
Up to 1 hour	£1.10	remove	£0.00	0.00%
Up to 2 hours	£1.70	£2.00	£0.30	17.65%
Up to 3 hours	£1.70	remove	£0.00	0.00%
Up to 4 hours	£3.20	£3.50	£0.30	9.37%
Up to 6 hours	£3.80	£4.50	£0.70	18.42%
Up to 24 hours	£4.00	£5.00	£1.00	25.00%
Season Tickets				
Monday - Friday				
Three Calendar Months	£250.00	no change	£0.00	0.00%
Six Calendar Months	£450.00	no change	£0.00	0.00%
Annually	£800.00	no change	£0.00	0.00%
BREWERY STREET MULTI-STOREY CAR PARK				
Up to 4 hours	£5.00	£6.00	£1.00	20.00%
Up to 6 hours	£7.50	£10.00	£2.50	33.33%
Up to 24 hours	£15.00	£20.00	£5.00	33.33%
ON-STREET PARKING CHARGES				
Inner Zone				
Monday to Sunday 8am to 7.30pm				
Up to 1 hour	£3.00	£3.50	£0.50	16.67%
Up to 90 minutes (after 6pm)	£3.50	£3.50	£0.00	0.00%
Up to 2 hours	£5.50	£6.00	£0.50	9.09%
Up to 3 hours (NEW)	N/A	£7.00	£0.00	0.00%
Up to 4 hours (NEW)	N/A	£9.00	£0.00	0.00%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Administration Charges				
Season Tickets and Residents Permits				
Replacements				
Vehicle Change	£11.50	£12.00	£0.50	4.35%
Lost/Stolen/Damaged Season Ticket or Permit	£21.00	£22.00	£1.00	4.76%
Refunds				
Charge per Season Ticket or Permit	£15.00	£16.00	£1.00	6.67%
Parking Dispensations				
Dispensation to park on double yellow lines or contravene parking restrictions in exceptional and essential circumstances	£16.00	£17.00	£1.00	6.25%
Suspension of On Street Parking Bays				
An administration charge for dealing with requests to suspend parking bays (pay & display bays, permit bays, disabled bays, etc.) where this is permitted in the relevant Traffic Regulation Order.				
Daily Charge Per Bay (Bays 1-3)	£36.00	£38.00	£2.00	5.56%
Daily Charge for Additional Bays (multiples of 3, or part thereof)	New Charge	£38.00	New Charge	New charge - with discount for economies of scale
Any additional costs associated with temporary suspension	Full Cost	Full Cost	New Charge	N/A
Permanent Loss of on-street parking bays due to development or change of use				
Charge to developers for loss of on street bay, where displaced bay can not be located in near vicinity	10 years average income for bay	10 years average income for bay	No change to current scheme	N/A
Any additional costs associated with loss of bay (i.e. amending Traffic Regulation Order, relocating ticket machines)	Full Cost	Full Cost	N/A	N/A
Service Area				
Transportation, Connectivity & Highways				
Specific Legislation Impacting on Charging				
<ul style="list-style-type: none"> • Refer to Para 7.1 of Report 				
Rationale for change in pricing/pricing policy				
<ul style="list-style-type: none"> • To account for inflationary increases in the cost of service delivery • To move towards full cost recovery in service delivery • To comply with legislation governing the setting of prices 				
Link to Budget 2019+				
PL128 19+				
Service/ Charge	Previous Charge	Proposed Charge	Amount of Increase	Percentage Change
Changes to the Highway				
Section 278 Initial Fee for Technical Approval	3.75%	3.75%	No change	0.00%
Section 278 Site Inspection Fee	6.75%	6.75%	No change	0.00%
Section 278 Combined Technical Approval / Inspection Fee	£11,450.00	£12,022.50	£572.50	5.00%
Section 278 Abortive (Design Approval) Costs	3.75%	3.75%	No change	0.00%
Section 278 Abortive Costs	£1,000.00	£1,000.00	No change	0.00%
Section 278 Further Fixed Administration Fee	£630.00	£662.00	£32.00	5.08%
Section 278 Legal Fee	£790.00	£830.00	£40.00	5.06%
Section 278 Wayleave (Deed of Grant)	£480.00	£504.00	£24.00	5.00%
Section 278/Section 38 - Stage 4 Road Safety Audit	£1,300.00	£1,365.00	£65.00	5.00%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
New Developments				0.00%
Section 220 Non Adopted Developments Initial Fee for Design Checking / Drawing Approval	3.75%	3.75%	No change	0.00%
Section 220 Non Adopted Developments Site Supervision / Contract Administration Fee	6.50%	6.50%	No change	0.00%
Section 220 Non Adopted Developments Combined Design Check / Supervision Fee (min)	£11,450.00	£12,023.00	£573.00	5.00%
Road Safety Publicity Material - Provided to other Local Authorities / Organisations	Various charges	Various charges		0.00%
Highway Stopping Up Orders s.116	£5,300.00	£5,565.00	£265.00	5.00%
Footpath Stopping Up / Diversion Order	£5,300.00	£5,565.00	£265.00	5.00%
Public Spaces Protection Orders	£7,020.00	£7,371.00	£351.00	5.00%
Post Stopping Up Management and Site Inspection	£2,950.00	£3,098.00	£148.00	5.02%
Lighting Technical Approval Fees	£800.00	£1,000.00	£200.00	25.00%
Section 38 Agreement Administration	£1,110.00	£1,166.00	£56.00	5.05%
Section 38 Agreement Deed of Variation	£445.00	£468.00	£23.00	5.17%
Section 38 Agreement Technical Approval - Total cost of works	3.75%	3.75%	£0.00	0.00%
Section 38 Agreement Technical Approval - Minimum charge	£5,020.00	£5,271.00	£251.00	5.00%
Section 38 Agreement Inspection - Total cost of works	6.50%	6.50%	£0.00	0.00%
Section 38 Agreement Inspection - Minimum charge	£5,020.00	£5,271.00	£251.00	5.00%
Land Charges and Street Naming				
Street Naming - New streets	£250.00	£262.50	£12.50	5.00%
Numbering into New or Existing Streets - 1 to 5 Properties	£170.00	£178.50	£8.50	5.00%
Numbering into New or Existing Streets - 6 to 25 Properties	£415.00	£435.00	£20.00	4.82%
Numbering into New or Existing Streets - 26 to 75 Properties	£660.00	£693.00	£33.00	5.00%
Numbering into New or Existing Streets - 76+ Properties	£995.00	£1,045.00	£50.00	5.03%
Renumbering of an application following a change in layout by the developer - 1 to 5 Properties	£170.00	£178.50	£8.50	5.00%
Renumbering of an application following a change in layout by the developer - 6 to 25 Properties	£415.00	£435.00	£20.00	4.82%
Renumbering of an application following a change in layout by the developer - 26 to 75 Properties	£660.00	£693.00	£33.00	5.00%
Renumbering of an application following a change in layout by the developer - 76+ Properties	£995.00	£1,045.00	£50.00	5.03%
Renaming of a property or individual units within - 1 to 5 Properties	£170.00	£178.50	£8.50	5.00%
Renaming of a property or individual units within - 6 to 25 Properties	£415.00	£435.00	£20.00	4.82%
Renaming of a property or individual units within - 26 to 75 Properties	£660.00	£693.00	£33.00	5.00%
Renaming of a property or individual units within - 76+ Properties	£785.00	£824.25	£39.25	5.00%
Renaming of a Street - Magistrate Court Costs	£4000-£5000	£4000-£5000	£0.00	
Renaming of a Street - Staff Costs	£1,150.00	£1,207.00	£57.00	4.96%
Searches and Enquiries CON29 Property Search	£67.00	£70.00	£3.00	4.48%
Searches and Enquiries CON29 Additional Question	£13.00	£13.65	£0.65	5.00%
Searches and Enquiries LLC1 Property Search	£28.00	£29.50	£1.50	5.36%
Search Follow-Up - Full Enquiry Land Charges and Highway Searches per Property	£8.34 or £9.24 if by post	£8.34 or £9.24 if by post	£0.00	0.00%
General Enquiry Highways Information and Land Charges per Property	£8.34 or £9.24 if by post	£8.34 or £9.24 if by post	£0.00	0.00%
Searches and Enquiries Private Companies per Property	£8.34 or £9.24 if by post	£8.34 or £9.24 if by post	£0.00	0.00%
Searches and Enquiries Mapping Information for Private Companies	£174.00	£174.00	£0.00	0.00%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Definitive Map - Legal Event as a result of change to public rights of way	£845.00	£887.00	£42.00	4.97%
School Travel Plans				
Production of School Travel Plan as condition of Planning application	£2,630.00	£3,000.00	£370.00	14.07%
Annual monitoring of School Travel Plan as condition of Planning application	£525.00	£750.00	£225.00	42.86%
Staff support for using the Modeshift STARS system to produce a School Travel Plan.	£790.00	£1,500.00	£710.00	89.87%
Transportation and Connectivity Miscellaneous				
S31(6) Village Green Deposits only (up to 5 hectares)	£525.00	£551.00	£26.00	4.95%
Village Green Deposits only (up to 5 hectares)	£475.00	£500.00	£25.00	5.26%
Combined S31(6) and Village Green Deposits (up to 5 hectares)	£715.00	£750.00	£35.00	4.90%
Miscellaneous Charges - Traffic Modelling Data and Model Runs	At Cost	At cost	£0.00	0.00%
Road Safety Talks/Workshops (for pupils)	£300.00	£375.00	£75.00	25.00%
Scotability Training (for pupils)	£600.00	£750.00	£150.00	25.00%
CPD teacher training courses on Road Safety and Clean Air	£900.00	£1,500.00	£600.00	66.67%
On going support with use of Modeshift STARS system past any initial free of charge consultation	£50 per hour	62.50 per hour	£12.50	25.00%
Production of Workplace Travel Plan as condition of Planning application	£2,550.00	£3,000.00	£450.00	17.65%
Annual monitoring of Workplace Travel Plan as condition of Planning application	£1,200.00	£1,500.00	£300.00	25.00%
Staff support for using the Modeshift STARS for system to develop and produce an action plan	£50.00	£62.50	£12.50	25.00%
Delivery of workplace activities or initiatives as part of agreed action plan	£50.00	£62.50	£12.50	25.00%
Staff support for using the Modeshift STARS for system to conduct a workplace site audit	£50.00	£62.50	£12.50	25.00%
Staff support for using the Modeshift STARS for system to undertake bespoke workplace travel survey.	£50.00	£62.50	£12.50	25.00%
On going support with use of Modeshift STARS for system past any initial free of charge consultation	£50.00	£62.50	£12.50	25.00%
Highways - Dropped Kerbs				
Dropped Kerb Site Inspection Fee	£90.00	£95.00	£5.00	5.56%
Dropped Kerb Administration Fee	£260.00	£273.00	£13.00	5.00%
Dropped Kerb Construction Cost	At Cost	At Cost	£0.00	0.00%
Dropped Kerb Construction during planned Footway maintenance - Footway depth < 3m (standard 2.75m dropped kerb width) (during full footway, verge and kerb reconstruction) inclusive of administration	£205.00	£215.25	£10.25	5.00%
Dropped Kerb Construction during planned Footway maintenance Footway depth < 3m (standard 2.75m dropped kerb width) (during full footway and verge resurfacing) inclusive of administration	£440.00	£462.00	£22.00	5.00%
Dropped Kerb Construction during planned Footway maintenance - Footway depth 3m to 6m across hard verge (standard 2.75m dropped kerb width) (during full footway, verge and kerb reconstruction) inclusive of administration	£280.00	£294.00	£14.00	5.00%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Dropped Kerb Construction during planned Footway maintenance - Footway depth 3m to 6m across hard verge (standard 2.75m dropped kerb width) (during full footway and verge resurfacing) inclusive of administration	£565.00	£593.25	£28.25	5.00%
Dropped Kerb Construction during planned Footway maintenance - Footway depth 3m to 6m across grass verge (standard 2.75m dropped kerb width) (during full footway resurfacing) inclusive of administration	£865.00	£908.25	£43.25	5.00%
Dropped Kerb Construction during planned Footway maintenance (Individually charged) - Footway depth > 6m (during full footway and verge resurfacing) inclusive of administration	£0.00	At cost	£0.00	0/00%
Dropped Kerb Construction Subsidy	£0.00	£0.50	£0.50	0.00%
Inspection of Illegally Constructed Dropped Kerb	£350.00	£367.50	£17.50	5.00%
Inspection of Dropped Kerb / Site as requested by potential property buyer	£112.00	£118.00	£6.00	5.36%
Confirmation of status of Dropped Kerb constructed > 6 years ago	£112.00	£118.00	£6.00	5.36%
Dropped Kerb Protection Marking to Figure 1026.1 Single Access up to 5m	£135.00	£135.00	£0.00	0.00%
Per additional metre over 5m	£25.00	£25.00	£0.00	0.00%
Highways - Local Engineers				
Dropped Kerb Protection Marking (H marking) and Disabled bay marking (Blue Badge Holders)	New charge	£135.00	New charge	New charge
Authorisation for the installation of temporary Traffic Signals at multiple junctions	£240.00	£240.00	£0.00	0.00%
Traffic Regulation Order (permanent) Administration Fee	£2,000.00	£2,000.00	£0.00	0.00%
Temporary Traffic Regulation Order Notice - Admin fee by Districts	£101.00	£1,060.00	£959.00	949.50%
Bellmouth Agreement/Heavy duty crossover		£1,050.00	£1,050.00	0.00%
Temporary Direction Signs	£207.00	£217.50	£10.50	5.07%
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		
Traffic Regulation Notice Processing Charges - Document prep, re-design, consultation, advertisement & data management	At Cost	At Cost		0.00%
Temporary Traffic Regulation Order Processing Charges - approvals and data management (up to 5 days)	£1,060.00	£1,113.00	£53.00	5.00%
Temporary Road Closures (for Events)				
Temporary Road Closures (for Events) under the Towns Police Clauses Act 1847 - Administrative Fee	£108.00	£108.00	No change	0.00%
Temporary Road Closures (for Events) under the Towns Police Clauses Act 1847 - Additional officer time re. design, consultation and implementation	At Cost	At Cost	No change	0.00%
Review of Proposals affecting Structural and Electrical Assets				
Structures - Approval In Principle Process	Price Quoted Individually	Price Quoted Individually		
Review and Approval of proposals on Electrical Assets	Price Quoted Individually	Price Quoted Individually		
Review and Approval of proposals affecting Structural Assets	Price Quoted Individually	Price Quoted Individually		
Direction Signs				
Tourist Direction Signs - Application	£157.00	£160.00	£3.00	1.91%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Tourist Direction Signs - Sign determination, design, implementation and maintenance	At Cost	At Cost	£0.00	0.00%
Temporary Direction Signs - Application and initial period of licence up to 6 months	£315.00	£320.00	£5.00	1.59%
Temporary Direction Signs - Further 6 month extension of the licence period	£157.00	£160.00	£3.00	1.91%
Drainage Related Charges				
River Modelling - %cost of existing model	5.00%	5.00%	No change	0.00%
River Modelling - Minimum Charge	£157.00	£165.00	£8.00	5.10%
River Modelling - Maximum Charge	£2,180.00	£2,289.00	£109.00	5.00%
Other Drainage Services (Records, Assessments, etc.)	At Cost	At cost	£0.00	0.00%
Ordinary Water Course Consents	£53.00	£50.00	-£3.00	-5.66%
Pre-Application Advice for Developers	At Cost	At cost		
Streetworks Charges				
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%
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 Other 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 street in road category 2. Beyond notified period (Each day for first 3 days)	£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 street not in road category 2, 3 or 4. (Each day for first 3 days)	£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 street in road category 2. (Each day after 3 days)	£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%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
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%
FPNs - Offence under the New Roads and Street Works Act 1991	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate	£0.00	0.00%
FPNs - An offence under section 54(5).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate	£0.00	0.00%
FPNs - An offence under section 55(5).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate	£0.00	0.00%
FPNs - An offence under section 55(9)(1).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate	£0.00	0.00%
FPNs - An offence under section 57(4).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate	£0.00	0.00%
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	£0.00	0.00%
FPNs - An offence created by regulations made under section 74(7B).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate	£0.00	0.00%
FPNs - An offence created by regulations made under section 74A(11).	£120/£80 Start Rate/ Reduced Rate	£120/£80 Start Rate/ Reduced Rate	£0.00	0.00%
Property Strategy and Information				
Providing copies of title deeds relating to sales, leases licences, wayleaves and acquisition or other similar legal documentation where the original document is 20 pages or less where the original is A4 or legal format size. - <i>Staff Costs, each instance i.e. per document each copy</i>	New charge for 2019/20	£40 per copy	New charge	N/A
Providing copies of title deeds relating to sales, leases licences, wayleaves and acquisition or other similar legal documentation where the original document is between 50 and 21 pages or less where the original is A4 or legal format size. - <i>Staff Costs, each instance i.e. per document each copy</i>	New charge for 2019/20	£80 per copy	New charge	N/A
Providing copies of title deeds relating to sales, leases licences, wayleaves and acquisition or other similar legal documentation where the original document is in excess of 50 pages in length or less where the original is A4 or legal format size. - <i>Staff Costs, each instance i.e. per document each copy</i>	New charge for 2019/20	£130 per copy	New charge	N/A

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Providing copies of title deeds relating to sales, leases licences, wayleaves and acquisition or other similar legal documentation where the original document is 20 pages or less where the original is larger than A4 or legal format size. - <i>Staff Costs, each instance i.e. per document each copy</i>	New charge for 2019/20	£60 per copy	New charge	N/A
Providing copies of title deeds relating to sales, leases licences, wayleaves and acquisition or other similar legal documentation where the original document is between 21 and 50 pages or less where the original is larger than A4 or legal format size. - <i>Staff Costs, each instance i.e. per document each copy</i>	New charge for 2019/20	£100 per copy	New charge	N/A
Providing copies of title deeds relating to sales, leases licences, wayleaves and acquisition or other similar legal documentation where the original document is in excess of 50 pages in length or less where the original is larger than A4 or legal format size. - <i>Staff Costs, each instance i.e. per document each copy</i>	New charge for 2019/20	£150 per copy	New charge	N/A
Production of City Street Maps each instance (i.e. cost per copy plan requested)At cost due to variable complexity of Orders and licencing	New charge for 2019/20. From £20 per plan dependent on level of detail, size and quantity.	Media Type Paper Size Plot Cost Normal Paper A2 (17" x 23") £18 Photo Paper A2 (17" x 23") £20 Normal Paper A1P (23" x 33") £20 Normal Paper A1 (23" x 33") £20 Photo Paper A1 (23" x 33") £25 Normal Paper A0 (39" x 47") £25 Photo Paper A0 (39" x 47") £30 Normal Paper 54" £30 Photo Paper 54" £35 Normal Paper 60" £30 Photo Paper 60" £35	New charge	N/A

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
<p>Production of transactional plans</p> <p>At cost due to variable complexity of Orders</p>	<p>New charge for 2019/20. Minimum fee of £61.47 per hour with a minimum of half hour charge plus print costs</p>	<p>Minimum fee of initial cost £140 for the first hour (or part hour) then £88.90 per hour for each additional or part hour plus print costs as published. Amendments to existing plan originally provided by service charged at hourly rate with minimum charge of 1/2 hour.</p> <p>Media Type Paper Size Plot Cost Normal Paper A2 (17" x 23") £18 Photo Paper A2 (17" x 23") £20 Normal Paper A1P (23" x 33") £20 Normal Paper A1 (23" x 33") £20 Photo Paper A1 (23" x 33") £25 Normal Paper A0 (39" x 47") £25 Photo Paper A0 (39" x 47") £30 Normal Paper 54" £30 Photo Paper 54" £35 Normal Paper 60" £30 Photo Paper 60" £35</p>	<p>New charge</p>	<p>N/A</p>

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Production of bespoke mapping, plans At cost due to variable complexity of Orders	New charge for 2019/20	Minimum fee of initial cost £140 for the first hour (or part hour) then £88.90 per hour for each additional or part hour plus print costs as published. Amendments to existing plan originally provided by service charged at hourly rate with minimum charge of 1/2 hour Media Type Paper Size Plot Cost Normal Paper A2 (17" x 23") £18 Photo Paper A2 (17" x 23") £20 Normal Paper A1P (23" x 33") £20 Normal Paper A1 (23" x 33") £20 Photo Paper A1 (23" x 33") £25 Normal Paper A0 (39" x 47") £25 Photo Paper A0 (39" x 47") £30 Normal Paper 54" £30 Photo Paper 54" £35 Normal Paper 60" £30 Photo Paper 60" £35	New charge	N/A
Production of bespoke one off reports for property performance At cost due to variable complexity of Orders	New charge for 2019/20	Initial consultation fee of £100, thereafter fee of £88.90 per hour or part hour per report. Amendments to existing report charged at £88.80 per hour Half hour minimum fee	New charge	N/A
Production of automated replicable reports for property performance At cost due to variable complexity of Orders	New charge for 2019/20	Initial consultation fee of £100, thereafter fee of £88.90 per hour or part hour per report to production. Future support costs £1000 per annum (full or part year) until terminated. Amendments to existing report charged at £88.80 per hour Half hour minimum fee	New charge	N/A

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Service Area	Highways Licences			
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> • Refer to Para 7.1 of Report • Highways Act 1980 • New Roads and Streetworks Act (1991) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> • To account for inflationary increases in the cost of service delivery • To comply with legislation governing the setting of prices 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Highway Licences				
New licence for private services in highway	£805.00	£845.00	£40.00	4.97%
Additional inspection fee for over 200 metres	£190.00	£200.00	£10.00	5.26%
New licence for overhanging canopies etc. on public highway	£795.00	£835.00	£40.00	5.03%
Amendment to existing canopy etc. licence	£435.00	£460.00	£25.00	5.75%
Street Café Specified Licences				
Up to 5 tables	£815.00	£856.00	£41.00	5.03%
5 tables or more	£1,195.00	£1,255.00	£60.00	5.02%
Specified Licence to plant trees, shrubs, etc., in a highway.				
New License to plant and maintain vegetation in highway.	At Cost	At Cost	£0.00	
Individual Specified Licence Fee				
Application Fee (non refundable)	£85.00	£90.00	£5.00	5.88%
Application Fee (non refundable)	£85.00	£90.00	£5.00	5.88%
Specified Licences for Developments with a Value up to £1million:				
Scaffolding (up to 28 days)	£155.00	£165.00	£10.00	6.45%
Hoarding (up to 28 days)	£155.00	£165.00	£10.00	6.45%
Carting Over (Temporary Access) (up to 28 days)	£155.00	£165.00	£10.00	6.45%
Deposit of Materials (up to 28 days)	£155.00	£165.00	£10.00	6.45%
Crane - for one day only	£75.00	£80.00	£5.00	6.67%
Crane up to 2-28 days	£155.00	£165.00	£10.00	6.45%
Excavation (up to 28 days)	£155.00	£165.00	£10.00	6.45%
Licences for Developments with a Value up to £1million:				
Scaffolding (from 29 days over)	£380.00	£400.00	£20.00	5.26%
Hoarding (from 29 days over)	£385.00	£400.00	£15.00	3.90%
Carting Over (Temporary Access) (from 29 days over)	£380.00	£400.00	£20.00	5.26%
Crane (from 29 days over)	£380.00	£400.00	£20.00	5.26%
Excavation (from 29 days over)	£380.00	£400.00	£20.00	5.26%
Deposit of Materials (from 29 days over)	£380.00	£400.00	£20.00	5.26%
Additional Street Frontages				
Administration Fee per additional street frontage	£85.00	£90.00	£5.00	5.88%
Extension or Amendment to Specified Licence				

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Administration Fee - up to & including a 4 week extension from date of original start	£85.00	£90.00	£5.00	5.88%
Large Development Highways Specified Licence				
Project Value ≥£1million and over 4 weeks	0.15%	0.15%	No change	0.00%
Project Value ≥£30million and < £50 Million and over 4 weeks Minimum Fee Percentage fee £45,000.00 + 0.1% of contract value over £30 Million	New charge	£0.00	£0.00	New charge
Project Value ≥£50million and over 4 weeks Minimum Fee Percentage fee £65,000.00 + 0.05% of contract value over £50 Million	New charge	£0.00	£0.00	0.00%
Administrative Fee for processing Development Bond	New Charge	£50.00	£50.00	New Charge
Retrospective Specified Highway Licence issued				
Retrospective Highway Licence	2 x equivalent preapproved total permit value	£645.00		
Skip Placements on the Highway				
Registration Fee	No Charge	No charge	£0.00	0.00%
Permit Fee	£19.00	£20.00	£1.00	5.26%
Retrospective Permit Fee	£180.00	£190.00	£10.00	5.56%
Removal of non-permitted skips	£210.00	£220.00	£10.00	4.76%
Service Area				
Specific Legislation Impacting on Charging		Birmingham Property Services		
Rationale for change in pricing/pricing policy		<ul style="list-style-type: none"> • Refer to Para 7.1 of Report • To account for inflationary increase in the cost of service delivery • To move towards full cost recovery and make a greater contribution to overheads • To bring in line with other comparable authorities 		
Link to Budget 2019+		CC104 19+		
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Disposals (freehold or long leasehold sales) with consideration of:				
£0-£1,000	£500	£500	£0.00	0.00%
£1,001 - £5,000	£500	£500	£0.00	0.00%
£5,001 - £25,000	£1,000	£1,000	£0.00	0.00%
£25,001 - £50,000	£1,750	£1,750	£0.00	0.00%
£50,001 - £100,000	£1,950	£1,950	£0.00	0.00%
£100,001 plus	£2,000	£2,000	£0.00	0.00%
Administration fee:				
£0 - £199,999	£1,000	£1,000	£0.00	0.00%
£200,000 plus	£1,500	£1,500	£0.00	0.00%
Leasehold Reform Act Sales	£400	£400	£0.00	0.00%
Minor disposals (e.g. access land strips)	£125	£125	£0.00	0.00%
Garden land	£500	£500	£0.00	0.00%
Investment Portfolio Business Area:				
Ground Leases regearing	£1,250	£1,400	£150.00	12.00%
Tenancies	325	350	£25.00	7.69%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Leases	5% of annual rent subject to a minimum of £325, plus a minimum of £300 as a non-refundable deposit towards BPS legal fees.	5% of annual rent subject to a minimum of £350, plus a minimum of £350 as a non-refundable deposit towards BPS legal fees.	Various	Various
Copies	£130	£135	£5.00	3.85%
Rent Review document	£135	£140	£5.00	3.70%
Licences	£325	£350	£25.00	7.69%
Registration of Leases, Assignments, Legal Charges and Tenancy Transfers	£175 or as stated in documentation: £175 Assignments (£265 to include Landlords prior consent)	£190 or as stated in documentation: £190 Assignments (£275 to include Landlords prior consent)	Various	Various
Landlords consent for any purposes	Standard fee £700. Rapid turnaround and complex issues - £1200. In addition Specialist Areas of work will be subject to negotiation. Retrospective applications £2 x normal fee. NB These fees are in addition to any consideration payable in respect of the increased value of the lease.	Standard fee £725. Rapid turnaround and complex issues - £1250. In addition Specialist Areas of work will be subject to negotiation. Retrospective applications £2 x normal fee. NB These fees are in addition to any consideration payable in respect of the increased value of the lease.	Various	Various
Service Charges	Commercial property portfolio – variable fixed fee equivalent to 7.5% of expenditure or better. Birmingham Business Centres – variable fixed fee equivalent to 7.75% of expenditure or better.	Commercial property portfolio – variable fixed fee equivalent to 7.5% of expenditure or better. Birmingham Business Centres – variable fixed fee equivalent to 7.75% of expenditure or better.	Various	Various
Central Administration Buildings (CAB)				
Council House Room Booking:				
Facility/Resource				
Council Chamber				
Monday - Friday 09:00 - 17:30	£320.00	£336.00	£16.00	5.00%
Monday - Friday Up to 4 hours (am or pm)	£220.00	£231.00	£11.00	5.00%
Monday - Friday after 17:30 hours -	£302.00	£317.00	£15.00	4.97%
Weekends - At any time -	£385.00	£404.00	£19.00	4.94%
Committee Rooms				
1,2,3,4,6 & HMS Daring Room	£42.00	£44.00	£2.00	4.76%
Rooms 3 & 4 jointly	£57.00	£60.00	£3.00	5.26%
Saturday - up to 2 rooms	£57.00	£60.00	£3.00	5.26%

ANNEX 1

Service / Charge	Previous Charge	Proposed Charge	£ Change	% Change
Saturday - 3 rooms & over	£137.00	£144.00	£7.00	5.11%
Sunday - up to 2 rooms per hour	£66.00	£69.00	£3.00	4.55%
Sunday - 3 rooms & over	£198.00	£208.00	£10.00	5.05%
Equipment				
Laptop/projector				
Up to 4 hours	£33.00	£35.00	£2.00	6.06%
Full Day	£50.00	£53.00	£3.00	6.00%
Laptop & Projector				
Up to 4 hours	£50.00	£53.00	£3.00	6.00%
Full Day	£75.00	£79.00	£4.00	5.33%
Microphones- Council Chamber	£66.00	£69.00	£3.00	4.55%
NB: Additional charges are levied for the provision of security (Customer Support and Porter Security Officers)				
Service Area				
Specific Legislation Impacting on Charging	Planning			
Rationale for change in pricing/pricing policy	Town and Country Planning Act 1990			
	<ul style="list-style-type: none"> • Fees & Charges for Planning were increased significantly for 2018/19 year • Review has demonstrated that 'no change' to the 2019/20 proposed Fees & Charges is appropriate 			
Link to Budget 2019+				
Service/ Charge	Previous Charge	Proposed Charge	Amount of Increase	Percentage Change
Planning				
Category A: Pre-application discussion for 250+ residential units or 25,000 sqm non-residential (including change of use)	£15,000.00	£15,000.00	£0.00	0.00%
Category B: Pre-application discussion for 100 - 249 residential units or 10,000 - 24,999 sqm non-residential (including change of use)	£5,000.00	£5,000.00	£0.00	0.00%
Category C: Pre-application discussion for 50-99 residential units or 5,000 - 9,999 sqm non-residential (including change of use)	£3,000.00	£3,000.00	£0.00	0.00%
Category D: Pre-application discussion for 25-49 residential units or 2,500-4,999 sqm non-residential (including change of use)	£2,000.00	£2,000.00	£0.00	0.00%
Category E: Pre-application discussion for 10-24 residential units or 1,000 - 2,499 sqm non-residential (including change of use)	£1,000.00	£1,000.00	£0.00	0.00%
Category F: Pre-application discussion with registered charities, educational and community organisations	New charge	As above, depending upon category of proposal	New charge	New charge
Do I Need Planning Permission Enquiries	Free	Free	£0.00	N/A
Invalid Applications - Small Scale	£30.00	£30.00	£0.00	0.00%
Invalid Applications - Medium Scale	£50.00	£50.00	£0.00	0.00%
Invalid Applications - Large Scale	£150.00	£150.00	£0.00	0.00%

ANNEX 1

Service Area		Payroll & Pensions Education		
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increase in the cost of service delivery To move towards full cost recovery and make a greater contribution to overheads To ensure prices remain attractive in a competitive market place 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Comprehensive Package – i.e. Payroll, Pensions’ Service and Schools’ HR Operations Team				
Band 1 - No of employees = 1 to 25	Commercial Service prices to be negotiated with customer			
Band 2- No of employees = 26 to 40	Commercial Service prices to be negotiated with customer			
Band 3- No of employees = 41 to 50	Commercial Service prices to be negotiated with customer			
Band 4- No of employees = 51 to 60	Commercial Service prices to be negotiated with customer			
Band 5- No of employees = 61 to 80	Commercial Service prices to be negotiated with customer			
Band 6- No of employees = 81 to 99	Commercial Service prices to be negotiated with customer			
Band 7 - No of employees = 100 to 150	Commercial Service prices to be negotiated with customer			
Band 8 - No of employees = 151 to 199	Commercial Service prices to be negotiated with customer			
Band 9 - No of employees = 200 to 250	Commercial Service prices to be negotiated with customer			
Band 10 - No of employees = More than 251	Commercial Service prices to be negotiated with customer			
Payroll/Pensions’ Service only – i.e. not including Schools’ HR Operations Team				
Band 1 - No of employees = 1 to 25	Commercial Service prices to be negotiated with customer			
Band 2- No of employees = 26 to 40	Commercial Service prices to be negotiated with customer			
Band 3- No of employees = 41 to 50	Commercial Service prices to be negotiated with customer			
Band 4- No of employees = 51 to 60	Commercial Service prices to be negotiated with customer			
Band 5- No of employees = 61 to 80	Commercial Service prices to be negotiated with customer			
Band 6- No of employees = 81 to 99	Commercial Service prices to be negotiated with customer			
Band 7 - No of employees = 100 to 150	Commercial Service prices to be negotiated with customer			
Band 8 - No of employees = 151 to 199	Commercial Service prices to be negotiated with customer			
Band 9 - No of employees = 200 to 250	Commercial Service prices to be negotiated with customer			
Band 10 - No of employees = More than 251	Commercial Service prices to be negotiated with customer			
Academies & External Clients				
Price Per Payslip (*13)	Commercial Service prices to be negotiated with customer			
Administration Charge	Commercial Service prices to be negotiated with customer			

ANNEX 1

Service Area		Educational Psychology Service		
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increase in the cost of service delivery To move towards full cost recovery and make a greater contribution to overheads To ensure prices remain attractive in a competitive market place 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
SUBSCRIPTIONS				
Subscriptions (36 Hours)	£4,454.00	£4,677.00	£223	5.01%
Subscriptions (27 Hours)	£3,420.00	£3,591.00	£171	5.00%
Subscriptions (18 hours)	£2,338.00	£2,455.00	£117	5.00%
Promotional discounts (e.g. Early Bird)				
Subscriptions (36 Hours)	£4,354.00	£4,572.00	£218	5.01%
Subscriptions (27 Hours)	£3,320.00	£3,486.00	£166	5.00%
Subscriptions (18 hours)	£2,238.00	£2,350.00	£112	5.00%
BESPOKE PACKAGES				
Hourly Charge Rate	£130.00	£145.00	£15	11.54%
TRAINING				
Training in 1 school (Full Day)	£758.00	£796.00	£38	5.01%
Training in a group of schools (Full Day) per delegate	New Charge	£100.00	N/A	N/A
Centrally-held training (Full Day)	£205.00	£220.00	£15	7.32%
Training in 1 school (Half Day)	£387.00	£406.00	£19	4.91%
Training in a group of schools (Half Day) per delegate	New Charge	£50.00	N/A	N/A
Centrally-held training (Half Day) per delegate	£110.00	£120.00	£10	9.09%
Training in 1 school (Twilight)	£276.00	£290.00	£14	5.07%
Training in a group of schools (Twilight) per delegate	New Charge	£37.00	N/A	N/A
Service Area -		Education Safeguarding		
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increases in the cost of service delivery To move towards full cost recovery To ensure that prices do not discourage schools from subscribing to the service To achieve the additional income requirement in the Budget 2019+ 			
Link to Budget 2019+	CY104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Briefings - Small provider	£70.00	£90	£20	28.57%
Briefings - Nursery	£150.00	£190	£40	26.67%
Briefings - Primary/Special	£265.00	£390	£125	47.17%
Briefings - Secondary	£365.00	£590	£225	61.64%
Briefings - College	£1,000.00	£1,100	£100	10.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
System & Practice Review -Small provider	New Charge	£50	£0	N/A
System & Practice Review -Nursery	New Charge	£50	£0	N/A
System & Practice Review -Primary/Special	New Charge	£120	£0	N/A
System & Practice Review -Secondary	New Charge	£220	£0	N/A
System & Practice Review -College	New Charge	£320	£0	N/A
SCR spot check - Small provider	New Charge	£30	£0	N/A
SCR spot check - Nursery	New Charge	£40	£0	N/A
SCR spot check - Primary/Special	New Charge	£190	£0	N/A
SCR spot check - Secondary	New Charge	£240	£0	N/A
SCR spot check - College	New Charge	£280	£0	N/A
Admin fee for processing translations	£0.00	£10.00	£10.00	0.00
Admin fee for processing large print & audio	£0.00	£10.00	£10	0.00
Admin fee for processing BSL interpreter requests	£0.00	£10.00	£10	0.00
Admin fee for urgent interpreter bookings	£10.00	£20.00	£10.00	100%
Minimum travel expense fee (within Birmingham)	£5.00	£10.00	£5.00	100%
Service Area -				
School & Governors				
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increase in the cost of service delivery To achieve the additional income requirement in the Budget 2019+ 			
Link to Budget 2019+	CY105 19+			
Service/Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Subscription	£2,050	£2,100	£50	2.44%
Service Area				
Access to Education				
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increase in the cost of service delivery To move towards full cost recovery and make a greater contribution to overheads To ensure prices remain attractive in a competitive market place 			
Link to Budget 2019+	CC104 19+			
Service/Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Training				
Rates for Training for Birmingham Schools				
Full Day	£765.00	£765.00	£0.00	0.00%
Half Day	£395.00	£395.00	£0.00	0.00%
Twilight	£285.00	£295.00	£10.00	3.51%
Rates for Training provided to schools & settings outside of the authority				
Full Day	£825.00	£825.00	£0.00	0.00%
Half Day	£455.00	£455.00	£0.00	0.00%
Twilight	£335.00	£335.00	£0.00	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Centre based Courses				
Full Day	£215.00	£215.00	£0.00	0.00%
Half Day	£120.00	£120.00	£0.00	0.00%
Centre based Seminars by session	£40.00	£42.00	£2.00	5.00%
Hourly Rate	£130.00	£140.00	£10.00	7.69%
PSS Consultancy	£650.00	£650.00	£0.00	0.00%
SEN Review - one day review	£1,050.00	£1,050.00	£0.00	0.00%
SEN Review - 2 full days (all through schools and schools over number of sites)	£2,000.00	£2,000.00	£0.00	0.00%
SEN Peer review -	£360.00	£360.00	£0.00	0.00%
Training shared across settings	£360.00	£360.00	£0.00	0.00%
Training at individual settings	£750.00	£750.00	£0.00	0.00%
Identification of Dyslexia (for pupil on the B'ham Pathway) including detailed report and appropriate recommendations to support provision	£140.00	£140.00	£0.00	0.00%
Dyslexia Specialist Teaching programme for schools				
6 week	£1,100.00	£1,100.00	£0.00	0.00%
12 week	£2,000.00	£2,000.00	£0.00	0.00%
Specialist teaching as identified on EHCP funded by SENAR				
Per hour	£100.00	£100.00	£0.00	0.00%
Provision of SENCo support (one day a week in the absence of school SENCo)				
SENCO Conference - Participant cost:	£150 for first delegate and £50 for additional from same setting	£150 for first delegate and £50 for additional from same setting	£0.00	0.00%
SENCO Conference - Market place costs:	Between £150 and £650 - dependent on package purchased	Between £150 and £650 - dependent on package purchased	£0.00	0.00%
EAL Conference - Participant cost:	£95 for first delegate and £50 for additional from same setting.	£95 for first delegate and £50 for additional from same setting.	£0.00	0.00%
EAL Conference - Market place costs:	Between £150 and £650 - dependent on package purchased	Between £150 and £650 - dependent on package purchased	£0.00	0.00%
Toolkits purchased outside of Birmingham (available to B'ham schools as DSG funded service)				
Language & Literacy Toolkit or Maths Toolkit	£500.00	£500.00	£0.00	0.00%
Language & Literacy Toolkit or Maths Toolkit	£900.00	£900.00	£0.00	0.00%
Toolkit Progress Tracker (TPT) for schools in and out of area – Language & Literacy				
Toolkit Progress Tracker (TPT) combined L&L and Maths				
With training	£250.00	£250.00	£0.00	0.00%
Without training	£360.00	£360.00	£0.00	0.00%
L&L and maths Toolkit criteria hosted on third party providers e.g. Classroom Monitor, FROG, OTrack, Educater				
With training	£400.00	£400.00	£0.00	0.00%
Without training	£520.00	£520.00	£0.00	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
EAL Toolkit - per activation	£125.00	£125.00	£0.00	0.00%
Toolkit Renewals:				
EAL	£75.00	£75.00	£0.00	0.00%
L&L or maths	£100.00	£100.00	£0.00	0.00%
L&L maths combined	£150.00	£150.00	£0.00	0.00%
TPT (L&L only)	£175.00	£175.00	£0.00	0.00%
L&L and maths	£225.00	£225.00	£0.00	0.00%
Train the Trainer	£1,000.00	£1,000.00	£0.00	0.00%
Intervention Show Cases (Costs to market place and not participants)				
Market stand	£125.00	£125.00	£0.00	0.00%
Market stand + presentation	£175.00	£175.00	£0.00	0.00%
ALSA accredited course with Newman University - per participant	£560.00	£560.00	£0.00	0.00%
National SENCo Award - 40% of course cost per participant;	£972	£972	£0.00	0.00%
On-Line courses via Moodle: sold in multiples of 10				
In Birmingham				
Per licence	£25.00	£25.00	£0.00	0.00%
Set up fee	£100.00	£100.00	£0.00	0.00%
OOA				
Per licence	£35.00	£35.00	£0.00	0.00%
Set up fee	£100.00	£100.00	£0.00	0.00%
PCR training (two day course)				
In Birmingham	£395.00	£395.00	£0.00	0.00%
Refresher	£250.00	£250.00	£0.00	0.00%
OOA - 2days	£450.00	£450.00	£0.00	0.00%
Maximising Impact of Teaching Assistants (MITA accredited)				
Under 15 participants	£1,150.00	£1,150.00	£0.00	0.00%
15 – 30 participant s	£2,000.00	£2,000.00	£0.00	0.00%
Over 30 per participant	£50.00	£50.00	£0.00	0.00%
Specific Charges for Sensory Support (SS)				
Educational Audiology				
Annual	£1,000.00	£1,000.00	£0.00	0.00%
Hourly	£100.00	£100.00	£0.00	0.00%
RA provision – equipment hire				
Annually - includes technician support & maintenance	£450.00	£450.00	£0.00	0.00%
The SLAs with RBs – Small Heath and Plantsbrook.				
Full cost of staff plus management fee	£130.00	£130.00	£0.00	0.00%
Specialist teaching for CHOOS	£100	£100	£0.00	0.00%
Sign language tuition - 6 sessions	£250	£250	£0.00	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
BSL accredited courses	POA depending upon size of group and exams required			
University teaching - per hour	£125.00	£125.00	£0.00	0.00%
Specialist support for work based learning providers (FE work)				
<u>Mild / Moderate Hearing Loss</u> - Assessment, report, recommendations, follow-up visit	£400.00	£400.00	£0.00	0.00%
<u>Severe/Profound Hearing loss</u> - Assessment, report, recommendations, email and telephone Help desk support, staff training session, 3 annual visits.	£950.00	£950.00	£0.00	0.00%
<u>Additional visits</u> (each) e.g. Monitoring, support, review with student, staff training	£200.00	£200.00	£0.00	0.00%
<u>Radio aid</u> - Radio aid set up, fitting, loan, call out and servicing	£450.00	£450.00	£0.00	0.00%
<u>Specialist equipment</u> e.g. Braille equipment, Laptop, Zoomtext	£POA	£POA	£0.00	0.00%
<u>Additional report</u> e.g. Report to support request for special arrangement for exams	£100.00	£100.00	£0.00	0.00%
<u>Reviews</u> (each) Liaison with and feedback from student, tutors, support workers	£350.00	£350.00	£0.00	0.00%
Specialist teaching - Bespoke package for language teaching, study support, touch typing, mobility	£POA	£POA	£0.00	0.00%
<u>Other bespoke packages</u> e.g. exam support, modification of learning materials, OLM training for staff	£POA	£POA	£0.00	0.00%
HST/VST assessments in independent schools	£200-£290	£200-£290	£0.00	0.00%
Specific Charges for Communication & Autism Team (CAT)				
CAT AET (Autism Education Trust)- Centre Based Training				
Early Years				
Per delegate (independent nursery)	£90.00	£90.00	£0.00	0.00%
Per delegate community & Voluntary nursery)	£30.00	£30.00	£0.00	0.00%
School Age per delegate	£185.00	£185.00	£0.00	0.00%
Post 16 per delegate	£185.00	£185.00	£0.00	0.00%
(prices set in line with AET recommendations – Max 25 on course)				
CAT AET Training – Setting Based				
(Autism awareness for out of authority schools)	£185.00	£185.00	£0.00	0.00%
Tier 2 & 3 for training + £5.50 delegate pack	£1,500.00	£1,500.00	£0.00	0.00%
CAT TOP UP (2019- 2020 costings)				
5hrs	£700	£700	£0.00	0.00%
10hrs	£1,400	£1,400	£0.00	0.00%
15hrs	£2,100	£2,100	£0.00	0.00%
CAT SLA's - per half day				
Bought back in half day blocks	£270.00	£270.00	£0.00	0.00%
All about me Toolkit	£20.00	£20.00	£0.00	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
AET associate hubs licence fee. (Until march 2020 – Price set in line with AET				
Early Years	£1,650	£1,650	£0.00	0.00%
School Age	£3,500	£3,500	£0.00	0.00%
Post 16	£1,650	£1,650	£0.00	0.00%
Service Area				
Education Asset Management				
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> • Refer to Para 7.1 of Report • Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> • To move towards full cost recovery and make a greater contribution to overheads • To ensure prices remain attractive in a competitive market place 			
Link to Budget 2019+	CC104 19+			
Service/Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Education Infrastructure				
Academy conversion				
Academy conversion process - lease / Commercial Transfer Agreement (CTA) - Community School	£75,000	£75,000	£0	0.00%
Academy conversion process - lease / CTA - Community School - PFI	£15,000.00	£15,000.00	£0	0.00%
Academy conversion process - lease of playing field - Voluntary Aided / Foundation	£5,000	£5,000	£0	0.00%
Academy conversion process - CTA - Voluntary Controlled	£4,500.00	£4,500.00	£0	0.00%
Academy conversion process - lease of playing field - Voluntary Controlled	£7,500.00	£7,500.00	£0	0.00%
Non Subscription Charge				
Access to Contact Team	No charge	No charge	£0	0.00%
Termly Education Infrastructure Bulletin	No charge	No charge	£0	0.00%
Dedicated website for support, advice & training	No charge	No charge	£0	0.00%
General Property Advice	From £65.00	From £65.00	£0	0.00%
Access to basic Asset Survey Data	From £65.00	From £65.00	£0	0.00%
Capital Funding Advice	From £65.00	From £65.00	£0	0.00%
Ownership / boundary / title advise	From £95.00	From £95.00	£0	0.00%
Property Audit Visit	£150.00	£150.00	£0	0.00%
Property Planning Visit	£295.00	£295.00	£0	0.00%
Landlord Approval Process	£195.00 - £295.00 per application	£195.00 - £295.00 per application	£0	0.00%
Duty Holder Training	£295 per delegate	£295 per delegate	£0	0.00%
Asbestos Management Training	£295 per delegate	£295 per delegate	£0	0.00%
Dual / Match Funding	£295 per application	£295 per application	£0	0.00%
Advice and guidance on lease and tenancy agreements	£159.00	£159.00	£0	0.00%
Apportionment Calculations	£159.00	£159.00	£0	0.00%
Subscription Charge - Community & Voluntary Controlled, Academies,				
Subscription Option 1				
Access to Contact Team	£695.00	£695.00	£0.00	0.00%
Access to Contact Team	Included in Subscription charge	Included in Subscription charge	N/A	N/A

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Termly Education Infrastructure Bulletin	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Dedicated website for support, advice & training	Included in Subscription charge	Included in Subscription charge	N/A	N/A
General Property Advice	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Access to basic Asset Survey Data (Community & VC & Foundation only)	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Capital Funding Advice	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Ownership / boundary / title advise (for Community, Academies & VC only)	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Property Audit Visit (for Community & VC only)	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Property Planning Visit	£295.00 per visit	£295.00 per visit	N/A	N/A
Landlord Approval Process	£295.00 per application	£295.00 per application	N/A	N/A
Duty Holder Training	£159.00 per delegate	£159.00 per delegate	N/A	N/A
Asbestos Management Training	£159.00 per delegate	£159.00 per delegate	N/A	N/A
Dual / Match Funding	£295.00 per application	£295.00 per application	N/A	N/A
Advice and guidance on lease and tenancy agreements	From £295.00	From £295.00	N/A	N/A
Apportionment Calculations	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Subscription Option 2	£995.00	£995.00	£0.00	0.00%
Access to Contact Team	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Termly Education Infrastructure Bulletin	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Dedicated website for support, advice & training	Included in Subscription charge	Included in Subscription charge	N/A	N/A
General Property Advice	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Access to basic Asset Survey Data (Community & VC & Foundation only)	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Capital Funding Advice	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Ownership / boundary / title advise (for Community, Academies & VC only)	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Property Audit Visit (for Community & VC only)	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Property Planning Visit	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Landlord Approval Process	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Duty Holder Training	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Asbestos Management Training	Included in Subscription charge	Included in Subscription charge	N/A	N/A

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Dual / Match Funding	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Advice and guidance on lease and tenancy agreements	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Apportionment Calculations	Included in Subscription charge	Included in Subscription charge	N/A	N/A
Service Area	Schools Financial Services			
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> • Refer to Para 7.1 of Report • Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> • To account for inflationary increase in the cost of service delivery • To move towards full cost recovery and make a greater contribution to overheads • To ensure prices remain attractive in a competitive market place 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Financial Consultancy Services	From £3012	From £3102	From £90	3.00%
Financial Bursary Services	From £9325	From £9605	From £280	3.00%
Financial Cover Services	£30 per hour	£35 per hour	From £5	16.67%
Ad Hoc Support Services	£30 per hour	£35 per hour	From £5	16.67%
Tailored Services	Dependent on level of service	Dependent on level of service		Between 5% & 8%
Strategic Financial Forecasting	£190.00	£195.00	£5.00	2.63%
Budget Management Training Course	£480.00	£495.00	£15.00	3.13%
Strategic Financial Management Training	£40 per delegate	£45 per delegate	£5.00	12.50%
Auditing of School Fund Accounts	£43 per hour	£45 per hour	£2.00	4.65%

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Service Area	Occupational Health & Safety Services			
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increase in the cost of service delivery To move towards full cost recovery and make a greater contribution to overheads To ensure prices remain attractive in a competitive market place 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Occupational Health				
Employee Assistance Programme	commercially sensitive			
Physiotherapy - First Appointment	commercially sensitive			
Physiotherapy - Review Appointment	commercially sensitive			
Pre-Employment Questionnaires	commercially sensitive			
Pre-Employment Health Interview	commercially sensitive			
Occupational Health Adviser Appointment - 1st	commercially sensitive			
Occupational Health Adviser Appointment - Review	commercially sensitive			
Occupational Health Practitioner Appointment - 1st	commercially sensitive			
Occupational Health Practitioner Appointment - Review	commercially sensitive			
Taxi Medicals	commercially sensitive			
Taxi DBS	commercially sensitive			
Safety Services				
Safety Services Basic Package - Nursery and Primary Schools	commercially sensitive			
Safety Services Basic Package - Secondary Schools	commercially sensitive			
Safety Services Basic Package - Special Schools	commercially sensitive			
IOSH Managing Safely Training - Full	commercially sensitive			
MIDAS Training - Full	commercially sensitive			
MIDAS Training - Refresher	commercially sensitive			
Educational Visits Co-Ordinator Training - Full	commercially sensitive			
Educational Visits Co-Ordinator Training - Refresher	commercially sensitive			
Educational Visits Basic Package - Nursery Schools	commercially sensitive			
Educational Visits Basic Package - Primary Schools	commercially sensitive			
Educational Visits Basic Package - Secondary Schools	commercially sensitive			
First Aid - Level 3	commercially sensitive			
First Aid - Requalification	commercially sensitive			
First Aid - Paediatric	commercially sensitive			
Emergency First Aid	commercially sensitive			
Passport to Safety Training	commercially sensitive			
Minibus Permits	commercially sensitive			
Dealing with Conflict Training	commercially sensitive			
Security Risk Assessments	commercially sensitive			
Asbestos Management Plan Reviews	commercially sensitive			
Health and Safety Audits - Primary Schools	commercially sensitive			
Health and Safety Audits - Secondary Schools	commercially sensitive			

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Fire Risk Assessments	commercially sensitive			
Service Area				
Schools HR				
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> • Refer to Para 7.1 of Report • Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> • To account for inflationary increase in the cost of service delivery • To move towards full cost recovery and make a greater contribution to overheads • To ensure prices remain attractive in a competitive market place 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Subscription Service				
Gold Service				
Band 1 - No of employees = 1 - 25	commercially sensitive			
Band 2 - No of employees = 26 - 50	commercially sensitive			
Band 3 - No of employees = 51 - 75	commercially sensitive			
Band 4 - No of employees = 76 - 100	commercially sensitive			
Band 5 - No of employees = 101 - 125	commercially sensitive			
Band 6 - No of employees = 126 - 150	commercially sensitive			
Band 7 - No of employees = 151 - 175	commercially sensitive			
Band 8 - No of employees = More than 176	commercially sensitive			
Silver Service				
Band 1 - No of employees = 1 - 25	commercially sensitive			
Band 2 - No of employees = 26 - 50	commercially sensitive			
Band 3 - No of employees = 51 - 75	commercially sensitive			
Band 4 - No of employees = 76 - 100	commercially sensitive			
Band 5 - No of employees = 101 - 125	commercially sensitive			
Band 6 - No of employees = 126 - 150	commercially sensitive			
Band 7 - No of employees = 151 - 175	commercially sensitive			
Band 8 - No of employees = More than 176	commercially sensitive			
Silver Service – 5% discount for Catholic Partnership				
Band 1 - No of employees = 1 - 25	commercially sensitive			
Band 2 - No of employees = 26 - 50	commercially sensitive			
Band 3 - No of employees = 51 - 75	commercially sensitive			
Band 4 - No of employees = 76 - 100	commercially sensitive			
Band 5 - No of employees = 101 - 125	commercially sensitive			
Band 6 - No of employees = 126 - 150	commercially sensitive			
Band 7 - No of employees = 151 - 175	commercially sensitive			
Band 8 - No of employees = More than 176	commercially sensitive			
Schools HR Menu Service				
Recruitment Services				
Recruitment Advertisements - Non Core Package Buyers	commercially sensitive			
Recruitment Advertisements - Core Package Buyers	commercially sensitive			

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Recruitment Advertisements - Additional Week	commercially sensitive			
Recruitment to NQT Pool - Core Package Buyers	commercially sensitive			
Recruitment to NQT Pool - Non Core Package Buyers	commercially sensitive			
Recruitment Senior Appointment Service	commercially sensitive			
Recruitment Senior Appointment Service – Re-advertisement	commercially sensitive			
Recruitment - DBS clearance charge Academies and Externals	commercially sensitive			
Recruitment - DBS clearance charge Bham Schools	commercially sensitive			
Recruitment - DBS clearance charge Volunteer	commercially sensitive			
Recruitment - DBS clearance charge Academies & Externals (Standard Clearance)	commercially sensitive			
Right to Work - Certificate of Sponsorship - Migrant Workers	commercially sensitive			
Single Central Record Review - Non Core Package Buyers	commercially sensitive			
Single Central Record Review - Core Package Buyers	commercially sensitive			
Operations Services				
Job Evaluation Service	commercially sensitive			
Late Payment Notification Fee	commercially sensitive			
Salary Statements - teachers	commercially sensitive			
Salary Statements –support staff	commercially sensitive			
Single Status - Template Letters	commercially sensitive			
Employee Relations				
ER Consultancy Advice and Support Day Rate Tier 2	commercially sensitive			
Mediation Service - Hourly Rate	commercially sensitive			
Portal Training				
Absence Form Raiser Training	commercially sensitive			
Form Raiser Training	commercially sensitive			
Portal Training - In School	commercially sensitive			

ANNEX 1

Service Area		Corporate Procurement Services		
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To ensure prices remain attractive in a competitive market place To honour previous commitments made to customers 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
<i>Discounted option available for schools who purchase subscription as per below:</i>				
1 Year Package -				
Nursery School	£750.00	£750.00	£0	0.00%
Primary School or Special School - 1 or 2 form entry	£800.00	£800.00	£0	0.00%
Primary School or Special School - 3 or 4 form entry	£900.00	£900.00	£0	0.00%
Secondary School or College	£1,100.00	£1,100.00	£0	0.00%
2 Year Package -				
Nursery School	£700.00	£700.00	£0	0.00%
Primary School or Special School - 1 or 2 form entry	£750.00	£750.00	£0	0.00%
Primary School or Special School - 3 or 4 form entry	£850.00	£850.00	£0	0.00%
Secondary School or College	£1,050.00	£1,050.00	£0	0.00%
3 Year Package -				
Nursery School	£650.00	£650.00	£0	0.00%
Primary School or Special School - 1 or 2 form entry	£700.00	£700.00	£0	0.00%
Primary School or Special School - 3 or 4 form entry	£800.00	£800.00	£0	0.00%
Secondary School or College	£1,000.00	£1,000.00	£0	0.00%
Service Area		Communications & Marketing		
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Design Services and Artwork	£63.00	£64.00	£1.00	1.59%
Service Area		Civic Catering		
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To ensure prices remain attractive in a competitive market To optimise financial performance and achieve a surplus To negotiate with customers to optimise financial performance and provide bespoke service packages to customers 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Office Delivery - Hospitality				
Classic Cold Delivered Hospitality Service	Start From £3.30 pp	Start From £3.30 pp	£0	0.00%
Classic Hot Fork Buffet Delivered Hospitality Service	Start From £11.50 pp	Start From £11.50 pp	£0	0.00%
Highbury Hall and the Council House Hospitality				
Lite Bite Lunch	Start From £9.75 pp	Start From £9.75 pp	£0	0.00%
Buffet Menu (Hot)	Start From £14.75 pp	Start From £14.75 pp	£0	0.00%
Buffet Menu (Cold)	Start From £14.75 pp	Start From £14.75 pp	£0	0.00%
Hot fork Buffet	Start From £21.95 pp	Start From £21.95 pp	£0	0.00%
Indoor/Outdoor BBQ Buffet	Start From £17.35 pp	Start From £17.35 pp	£0	0.00%

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Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Room Hire - Highbury Hall	Start From £250.00ph	Start From £250.00ph	£0	0.00%
Room Hire - Council House	Start From £500.00ph	Start From £500.00 ph	£0	0.00%
Funeral and Wake light buffet	Start From £9.50 pp	Start From £9.50 pp	£0	0.00%
Banqueting Selection - Starter	Start From £4.25 pp	Start From £4.25 pp	£0	0.00%
Banqueting Selection - Main Meal	Start From £23.95 pp	Start From £23.95 pp	£0	0.00%
Banqueting Selection - Desert	Start From £7.50 pp	Start From £7.50 pp	£0	0.00%
Banqueting Beverages (hot and cold)	Start From £2.25 pp	Start From £2.25 pp	£0	0.00%
Kids Banqueting menu	Start From £9.95 pp	Start From £9.95 pp	£0	0.00%
	Start From £14.75 pp	Start From £14.75 pp	£0	0.00%
Hospitality Wedding Afternoon High Tea &/or Evening Buffet Menu	Start From £22.25 pp	Start From £22.25 pp	£0	0.00%
Reception Hospitality Bowl Food (hot or cold)	Start From £11.60 pp	Start From £11.60 pp	£0	0.00%
Canapés Selection			£0	0.00%
Dinner package 3 course sit down meal including Tea and Coffee	Start From £34.00 pp	Start From £34.00 pp	£0	0.00%
Drinks package	Start From £13.40 pp	Start From £13.40 pp	£0	0.00%
Corkage	Start From £9.00 per bottle	Start From £9.00 per bottle	£0	0.00%
HH & CH bar				
Draught beers	Start From £4.30 (per pint)	Start From £4.30 (per pint)	£0	0.00%
Sprits & Liquors	Start From £2.85 (per 25ml)	Start From £2.85 (per 25ml)	£0	0.00%
Soft Drink mixers	Start From £1.95 (330ml)	Start From £1.95 (330ml)	£0	0.00%
Bottled Beers	Start From £3.00 (330ml)	Start From £3.00 (330ml)	£0	0.00%
Prosecco	Start from £5.75 (per glass)	Start from £5.75 (per glass)	£0	0.00%
Champagne and Prosecco - per bottle	Start From £23.00 (per bottle)	Start From £23.00	£0	0.00%
Wines (white, rose, red)	Start From £4.00 (175ml)	Start From £4.00 (175ml)	£0	0.00%
Wines (white, rose, red)	Start From £5.00 (250ml)	Start From £5.00 (250ml)	£0	0.00%
Wines (white, rose, red)	Start From £15.95 (bottle)	Start From £15.95 (bottle)	£0	0.00%
Speciality wines for functions and events	Start from £16.95 per bottle	Start from £16.95 per bottle	£0	0.00%
Speciality sparkling wines for events and functions	Start From £23.00 per bottle	Start From £23.00 per bottle	£0	0.00%
Pause cafes (Lancaster and Woodcock St)				
Hot Beverages	Start From - £1.20 pp	Start From - £1.20 pp	£0	0.00%
Cold Beverages	Start From £1.00	Start From £1.00	£0	0.00%
Sandwiches	Start From £1.90	Start From £1.90	£0	0.00%
Panini & Wraps	Start From £3.00	Start From £3.00	£0	0.00%
Toasted Sandwiches	Start From £2.50	Start From £2.50	£0	0.00%
Home-made Soup	Start From £1.60 PP	Start From £1.60 PP	£0	0.00%
Salad pots	Start From £2.60	Start From £2.60	£0	0.00%
Whole Fruit	Start From 80p	Start From 80p	£0	0.00%
Impulse Buys (Cakes, Snacks & Chocolate)	Start From 80p	Start From 80p	£0	0.00%
Jacket Potato	Start From £2.30	Start From £2.30	£0	0.00%
Full English Breakfast	Start From £4.95	Start From £4.95	£0	0.00%
Bacon Sandwich	Start From £2.30	Start From £2.30	£0	0.00%
Sausage Sandwich	Start From £2.30	Start From £2.30	£0	0.00%
Hot Fried Egg sandwich	Start From £1.60	Start From £1.60	£0	0.00%
Porridge	Start From £1.60	Start From £1.60	£0	0.00%
Granola Pot	Start From £2.10	Start From £2.10	£0	0.00%
Fruit Salad	Start From £2.10	Start From £2.10	£0	0.00%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Hot Main Lunch Time Meal	Start From £3.50	Start From £3.50	£0	0.00%
Hot side dishes	Start From £1.00	Start From £1.00	£0	0.00%
All beers, wines & spirits prices are subject to change as determined by any alterations to VAT and general taxation imposed by Central Government.				
Service Area				
Corporate Digital Mail Centre				
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increases in the cost of service delivery To ensure prices remain attractive in a competitive market To optimise financial performance and achieve a surplus To negotiate with customers to optimise financial performance and provide bespoke service packages to customers 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
External Post – Outbound				
Collection of post from other Local Authorities processed via consolidation machine, deliver into local Royal Mail centres	Commercial Service prices to be negotiated with customer			
Internal Post Outbound, Courier and Inbound operations.				
Inbound post sort and distribution, internal post distribution and outbound BCC post including Annual Billing, Elections, Housing Statements	Commercial Service prices to be negotiated with customer			
Hybrid print and Folding and inserting activities				
Print direct from customers, fold, insert and post	Commercial Service prices to be negotiated with customer			
Scanning Services				
Scanning service mainly (90%) associated with Revenue and Benefit Service.	Commercial Service prices to be negotiated with customer			
Borer Services (internal)				
Time management system	Commercial Service prices to be negotiated with customer			
Service Area				
School Meal Pricing				
Specific Legislation Impacting on Charging	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Fair funding scheme for Financing Schools (based on Schools Standards and Frameworks Act 1998) 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increases in the cost of service delivery To ensure prices remain attractive in a competitive market To optimise financial performance and achieve a surplus To negotiate with customers to optimise financial performance and provide bespoke service packages to customers 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Infant and Junior Schools				
Cityserve Lunch Time Meal including Packed Lunches	Price determined by Client /school			
Secondary Schools				
Cityserve Lunch Time Meal	Price determined by Client /school			
Infant and Junior Schools				
Cityserve Breakfast Offering	Price determined by Client /school			
Secondary Schools				
Cityserve Midmorning Offering	Price determined by Client /school			

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
ALL schools				
Cityserve Hospitality	Price determined by Client /school			
Cityserve BBQs, Cost charge dependent of numbers and Menu selection	Price determined by Client /school			
Select				
Cityserve Select (flexible access to various products including procurement, training, menu advice, branding)	Price determined by Client /school			
Head Office				
Training and Development/Hospitality Menu	Price determined by Client /school			

ANNEX 1

Service Area	Adults & Communities			
Specific Legislation Impacting on Service Area	<ul style="list-style-type: none"> Refer to Para 7.1 of Report Care Act 2014 			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> To account for inflationary increases in costs Move towards full cost recovery of service delivery To bring in line with other providers Compliance with legislation and national guidance, including maintaining statutory charges where appropriate 			
Link to Budget 2019+	CC104 19+			
Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
Weekly Residential Care for Adults - short stay - including External, all client groups				
Residents – all age groups – Short Stay (capital savings over £23,250)				
Residents Age 18 to 59 – Short Stay (capital savings under £23,250)	£101.05	£104.30	£3.25	3.22%
Residents Age over 60 – Short Stay (capital savings under £23,250)	£138.10	£142.35	£4.25	3.08%
Personal Allowance	£24.90	£24.90	£0.00	0.00%
<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	£760.00	£800.00	£40.00	5.26%
Note this rate is used for in house care centres in exceptional circumstances.				
Care Act - New Charges in accordance with Act - charges per care package				
Brokerage Fee (one off admin fee if BCC arranges care for self funders)	£280.00	£295.00	£15.00	5.36%
Deferred Payment Fee (one off admin fee if BCC agrees to secure charges against property)	£615.00	£645.00	£30.00	4.88%
Deferred charge interest rate	1.45%	1.65%	0.20%	13.79%
Residential Charge to Other Local Authorities				
Older People	Based on Actual costs incurred			
Day Care for Adults – Charges for Refreshments				
Cup of Tea/Coffee/Cold Drink	£0.85	£0.90	£0.05	5.88%
Toast per slice	£0.65	£0.70	£0.05	7.69%
Cereal and Milk	£1.10	£1.15	£0.05	4.55%
Lunch	£4.05	£4.25	£0.20	4.94%
Sweet	£1.35	£1.45	£0.10	7.41%
Packed Lunch	£4.65	£4.85	£0.20	4.30%
Baguettes (Various Fillings)	£2.80	£2.95	£0.15	5.36%
Jacket Potato with Filling	£2.80	£2.95	£0.15	5.36%
Sandwiches	£1.85	£1.95	£0.10	5.41%
Portion of Chips	£1.75	£1.85	£0.10	5.71%
Evening Meal	£2.85	£3.00	£0.15	5.26%
Slice of Cake or Similar	£1.00	£1.05	£0.05	5.00%
Fruit	£0.50	£0.55	£0.05	10.00%
Specials / Bundles - price based on cost of production				
2				
People with Learning/Physical Disabilities Level 1 & 2 - with transport	£69.00	£73.00	£4.00	5.80%
People with Learning/Physical Disabilities Level 1 & 2 - without transport	£58.00	£61.00	£3.00	5.17%
People with Learning/Physical Disabilities Level 3 - with transport	£90.00	£95.00	£5.00	5.56%

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
People with Learning/Physical Disabilities Level 3 - without transport	£78.00	£82.00	£4.00	5.13%
People with Learning/Physical Disabilities Level 4 - with transport	£116.00	£122.00	£6.00	5.17%
People with Learning/Physical Disabilities Level 4 - without transport	£105.00	£110.00	£5.00	4.76%
Home Care – Hourly rate				
Average Hourly Blended Rate for all clients	N/A	N/A	N/A	N/A
Hourly rate all clients (external provision only)	£14.00	£14.00	£0.00	0.00%
Travel				
Travel Passes – Full Validity	£70.00	£80.00	£10.00	14.29%
Blue badges – (New & Renewal) - maximum allowable	£10.00	£10.00	£0.00	0.00%
Room Hire – for 4 hours or part thereof				
Hire of Rooms – Org “A” – large hall	£55.00	£61.00	£6.00	10.91%
Hire of Rooms – Org “A” – large room	£50.00	£55.00	£5.00	10.00%
Hire of Rooms – Org “A” – small room	£33.00	£37.00	£4.00	12.12%
Hire of Rooms – Org “C” – large hall	£93.00	£103.00	£10.00	10.75%
Hire of Rooms – Org “C” – large room	£71.00	£79.00	£8.00	11.27%
Hire of Rooms – Org “C” – small room	£50.00	£55.00	£5.00	10.00%
Other Establishments	£92.00	£102.00	£10.00	10.87%
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				
Funerals and protection of property - Per Funeral				
Funerals – Lower Band	£725.00	£790.00	£65.00	8.97%
Funerals – Middle Band	£1,430.00	£1,555.00	£125.00	8.74%
Funerals – Higher Band	£1,710.00	£1,860.00	£150.00	8.77%
Banking of Monies	£46.00	£50.00	£4.00	8.70%
Storage of Property	£72.00	£78.00	£6.00	8.33%
Protection of property after 1 month - monthly charge or part thereof	£270.00	£295.00	£25.00	9.26%
Asset Tracing and Recovery- based on cost	£270.00	£295.00	£25.00	9.26%
Note: Vat may apply on administrative costs				
Meals Taken by Staff & Public - Normal Vat rules apply				
Breakfast – Full	£3.80	£4.20	£0.40	10.53%
Breakfast – Continental	£1.90	£2.10	£0.20	10.53%
Cup of Tea / Coffee / Cold Drink	£0.90	£1.00	£0.10	11.11%
Toast per slice	£0.65	£0.75	£0.10	15.38%
Cereal and Milk	£1.40	£1.55	£0.15	10.71%
Main Meal	£5.60	£6.15	£0.55	9.82%
Sweet	£1.80	£2.00	£0.20	11.11%
Baguettes (Various fillings)	£3.20	£3.55	£0.35	10.94%
Jacket Potato with filling	£3.20	£3.55	£0.35	10.94%
Sandwiches	£2.50	£2.75	£0.25	10.00%
Portion of Chips	£2.20	£2.45	£0.25	11.36%
Slice of Cake or Similar	£1.30	£1.45	£0.15	11.54%
Fruit	£0.50	£0.60	£0.10	20.00%
Specials / Bundles - price based on cost of production				

ANNEX 1

Service/ Charge	Previous Charge	Proposed Charge	£ Change	Percentage Change
People with Disabilities				
Telephones under CSDP Act – Income Support	Free	Free	No change	0.00%
Telephones under CSDP Act – Capital £3k or under	No Charge	No Charge	No change	0.00%
Telephones under CSDP Act – Capital over £3k	Full Cost	Full Cost	No change	0.00%
<i>The above applies to existing users under this service. New clients supported by Telecare - will be phased out over time.</i>				
Shared Lives - Management Fees to other Local authorities				
Shared Lives - Service User charges for Food and utilities to be paid direct to carer	£46.08	£46.08	No change	0.00%

ANNEX 2

BIRMINGHAM CITY COUNCIL

REPORT OF THE ACTING DIRECTOR OF REGULATION AND ENFORCEMENT **TO THE LICENSING AND PUBLIC PROTECTION COMMITTEE**

13 FEBRUARY 2019

ALL WARDS

REVIEW OF LICENSING AND PUBLIC PROTECTION FEES AND CHARGES 2019/2020

1. Summary

- 1.1. The Corporate Charging Policy and Financial Regulations require that fees and charges levied by the Licensing and Public Protection Committee be reviewed on an annual basis to ensure the continued full recovery of costs.
- 1.2. It should be noted that some of the fees relating to areas which come within your Committee's remit are set nationally through statute, and these cannot be varied by your Committee. These are indicated in the report.
- 1.3. All fees and charges have been set to with the objective of maximising income so far as is possible within legal constraints.
- 1.4. This report deals with all fees and charges within the control of your committee other than the fees charged by the Licensing Service, which are considered in a separate report.

2. Recommendations

- 2.1. That the changes to the fees and charges for Trading Standards Services, as detailed in Appendix 1, are approved to take effect from 1 April 2019.
- 2.2. That the changes to the fees and charges for Environmental Health Services, as detailed in Appendix 2, are approved to take effect from 1 April 2019.
- 2.3. That the changes to the fees and charges for Environmental Health Fixed Penalty Notices, as detailed in Appendix 2(a), are approved to take effect from 1 April 2019.
- 2.4. That the changes to the fees and charges for Pest Control Services, as detailed in Appendix 2(c), are approved to take effect from 1 April 2019.

- 2.5. That the changes to the fees and charges for Register Office Services, as detailed in Appendix 3, are approved to take effect from 1 April 2019.
- 2.6. That the statutorily set charges for the Register Office, as detailed in Appendix 3(a) be noted.
- 2.7. That the changes to the fees and charges for Coroner's Services as detailed in Appendix 4, are approved to take effect from 1 April 2019.
- 2.8. That the changes to the fees and charges for Birmingham Account Team (formerly Surveying Services) as detailed in Appendix 5, are approved to take effect from 1 April 2019.
- 2.9. That authority be delegated to the Director of Regulation and Enforcement and Heads of Service to authorise the negotiation of variations to the fees and charges identified in this report, in the interests of commercial flexibility.

Contact officer: Mark Croxford, Head of Environmental Health
Telephone: 0121 303 6350
Email: mark.croxford@birmingham.gov.uk

3. Background

- 3.1. The City Council's Corporate Charging Policy and Financial Regulations require that Chief Officers, at least annually, report to and seek approval from Committee on a review of all fees and charges levied for services provided.
- 3.2. Tables with greyed out boxes indicates the fee is set in statute and is for noting only.

4. Proposals

- 4.1. The fees proposed in this report are calculated to maximise income and recover the full cost of carrying out the various services in line with City Council policy. This includes all overheads, administrative costs, expenses and any appropriate recharge of officers' time.
- 4.2. The areas covered are as follows:
 - Appendix 1 – Review of Charges for Trading Standards.
 - Appendix 2 – Review of Charges for Environmental Health
 - Appendix 2(a) – Review of Charges for FPNs issued by Environmental Health
 - Appendix 2(c) – Review of Charges for Pest Control
 - Appendix 3 – Review of Charges for Register Office.
 - Appendix 3(a) – Register Office statutorily set fees.
 - Appendix 4 – Review of Charges for the Coroner's Service.
 - Appendix 5 – Review of charges for Birmingham Account Team (formerly Surveying Services)
- 4.3. Where fees in any service area are not covered by the appendices or a recovery of monies is to be levied then the full recharge will be based on the following table. The hourly rate by grade (includes full overhead recovery and central support costs) is broken down by the seven salary grading bands the Local Authority appoints its officers under.

OFFICER SALARY GRADE	CHARGEABLE HOURLY RATE 2018/19	CHARGEABLE HOURLY RATE 2019/20
Grade 2	£34	£35
Grade 3	£46	£48
Grade 4	£61	£63
Grade 5	£77	£79
Grade 6	£99	£102
Grade 7	£132	£136

- 4.4. In carrying out this annual review of charges reference has been made to the requirements of the Corporate Charging Policy. Particular attention has been paid to the need to ensure that income is maximised insofar as possible.
- 4.5. With regard to matters which relate to trading in the open market consideration has been given to competitors pricing and what the market can sustain. Where a fee has been proposed that does not achieve full cost recovery (for instance due to the need to compete with alternative providers), it has been indicated in the relevant appendix.
- 4.6. During the year ahead the financial position will continue to be closely monitored and options identified to resolve budgetary pressures as necessary and alternative savings proposals developed to meet new and emerging pressures.

5. Consultation

- 5.1. This report will be appended to a wider reaching City wide Fees and Charges report to full Cabinet at the end of February 2019.

6. Implications for Resources

- 6.1. The proposals represent an increase to budgeted income for 2019/20. The proposed increases are in line with the budget strategy for 2019/20.

7. Implications for Policy Priorities

- 7.1. The recommendations are in accordance with Financial Regulations, budget requirements and the Corporate Charging Policy.

8. Public Sector Equality Duty

- 8.1. There are no specific implications identified.

ACTING DIRECTOR OF REGULATION AND ENFORCEMENT

Background Papers: Birmingham City Council – Corporate Charging Policy

ANNEX 2 APPENDIX 1

REVIEW OF TRADING STANDARDS CHARGES 2019/20

- 1.1 It is proposed that the revised fees are based on the 2018/2019 fees with a 5% increase; this takes account of the 2019/20 pay award, increased superannuation costs and inflationary changes to operational and running overheads.
- 1.2 Fees have been rounded up or down as appropriate.

Measuring Instruments for Measuring Liquid Fuel or Lubricants or Mixtures Thereof

Weights and Measures	2018/19	2019/20
Un-subdivided container types	£92.00	£97.00
1 meter tested	£115.00	£121.00
2 meters tested	£188.00	£197.00
3 meters tested	£263.00	£276.00
4 meters tested	£331.00	£348.00
5 meters tested	£396.00	£416.00
6 meters tested	£484.00	£508.00
7 meters tested	£551.00	£579.00
8 meters tested	£609.00	£639.00
All other Weights and Measures on site - charge per hour	£77.00	£79.00
Measuring Instruments off-site within BCC boundary hourly rate + mileage	£77.00	£79.00
Measuring Instruments on-site outside BCC boundary hourly rate + mileage + 10 % for other overheads	£77.00	£79.00
Duplicate certificates or duplicate statements of accuracy (each)	£22.00	£23.00
Work outside of normal Office Hours , hourly rate will be subject to a 50% increase		
Metrology minimum charge for cancelled appointment	£77.00	£79.00

1.3 Bespoke seminars/training

A charge for businesses or trade sectors expressing an interest in a bespoke seminar or training on Trading Standards legislation relevant to that business or trade sector; this would include certification of Weighbridge Operators. It is proposed that the charge is £88 + VAT per attendee for a day course and £55 +VAT for half day course (minimum of 10 attendees) remains unchanged.

1.4 Primary Authority Partnership

This is part of a national programme to enable local authorities and businesses to work together to help improve consistency in regulation. The programme is overseen by the Better Regulation Delivery Office and enables local authorities to recharge for the time spent on servicing the partnership. Primary Authority Partnerships are agreed on a cost recovery basis.

The current charging arrangements which have already been agreed with our current partners are based on an officer's hourly rate. The proposed charge, therefore, reflects the 2018/2019 Grade 5 Officer hourly rate of £79 plus expenses.

1.5 Business Support

Where Businesses request business support but without entering into a Primary Authority Agreement, the local Authority would seek cost recovery and charge at Grade 5 Officer hourly rate of £79.

Head Office	2018/19	2019/20
Primary Authority Partnerships (cost recovery only)	£77.00	£79.00
Bespoke Seminars and Training on Trading Standards Legislation full day course- charge per attendee (+ VAT)	£84.00	£88.00
Bespoke Seminars and Training on Trading Standards Legislation, half day course - charge per attendee (+ VAT)		£55.00
Primary Authority Partnership (PAP) - hourly rate	£77.00	£79.00
Business Advice outside/without PAP Agreement	£77.00	£79.00
Surveillance Assistance - Hourly Rate GR4	£61.00	£63.00
Surveillance Assistance - Hourly Rate GR5	£77.00	£79.00

1.6 Private Hire Access to Knowledge Course

This course is available to potential drivers in relation to preparation for the Licensing Private Hire Knowledge Test. It is proposed that the charge is £39 per attendee in 2019/20. This is an increase from £37 per attendee in 2018/2019.

Private Hire Knowledge	2018/19	2019/20
Private Hire Access to Knowledge Course Fee per attendee	£37.00	£39.00

1.7 Financial Investigations

Accredited Financial Investigators within Trading Standards are able to provide financial investigation services to both internal and external (public sector) clients. It is proposed that where services are provided outside Birmingham Trading Standards that the charge be at a GR5 hourly rate of £77.00 plus expenses. Any incentivisation money resulting from a Proceeds of Crime Act 2002 investigation will be shared according to the Home Office incentivisation scheme. The current Home Office Asset Recovery Incentivisation Scheme (ARIS) stipulates:

- Under the Home Office Asset Recovery Incentivisation Scheme (ARIS) 50% of the monies recovered from a particular defendant is given to the Home Office and the remaining 50% is distributed amongst the agencies involved in the Confiscation.

These agencies will receive the appropriate share (of the 50%) from their asset recovery activities allocated as follows:

Confiscation order receipts

Criminal Justice Service Ministers have agreed that confiscation order receipts will be split three ways thus:

- Investigation (Local Authority) – 18.75%;
- Prosecution (Local Authority) – 18.75% and
- Enforcement (Her Majesty's Court Service) – 12.5%.

Cash Forfeitures

The ARIS 'rules' for cash forfeitures are different in that the agency seizing the cash receives 50% share of the forfeited amount. If the offender has the ability to pay prosecution costs after the 'confiscation proceedings' have concluded these are also recoverable.

Providing Service to other Local Authorities

It is proposed that where the services of the Accredited Financial investigator are provided by Birmingham Trading Standards on behalf of another local authority and this has resulted in cash forfeiture, then 25% of the total forfeited amount will be retained by Birmingham Trading Standards.

It is proposed that where the services of the Accredited Financial Investigator have resulted in a successful confiscation order receipt the 18.75% investigation allocation will be retained by Birmingham Trading Standards.

Regional Investigations Team

The Regional Investigations Team is hosted by Birmingham Trading Standards. The grant agreement requires that 50% of the any ARIS payment awarded and received by the hosting Local Authority is returned to National Trading Standards (NTS). It is, therefore, proposed that any successful financial investigation undertaken on behalf of this team will result in the retention of 25% of the remaining ARIS money after payment is made to the NTS. This amounts to 9.375% of the total amount of a confiscation order and 12.5% of total cash forfeiture.

Negotiation

Financial investigation is a growing service within the public sector and many local authorities are now offering these services. There are many different charging policies and in some circumstances it may be beneficial to have the ability to negotiate the charges with the client to secure the job. The Director of Regulation and Enforcement and the Head of Trading Standards have the discretion to agree any negotiated changes to the proposed fees and charges relating to financial investigations.

1.8 Trading Standards Fixed Penalty Notice and Penalty Charge Tariffs

All of the tariffs in the table below are set by statute except for the tariff for early payment discount in respect of nuisance parking and it is not proposed to change that tariff.

Fixed Penalty Notices	2018/19	2019/20
Nuisance Parking (s6(1) Clean Neighbourhoods and Environment Act)	£100	£100
Energy Performance Certificates - Duty to Provide to Prospective Buyers (Energy Performance of Buildings (England & Wales) Regulations 2012)	£200	£200
Energy Performance Certificates - Duty to Display (Energy Performance of Buildings (England & Wales) Regulations 2012) - 14(3)(a)	£1,000	£1,000
Energy Performance Certificates - Duty to Display (Energy Performance of Buildings (England & Wales) Regulations 2012) - 14(3)(b)	£500	£500
Energy Performance Certificates - Duty of Controllers of Air conditioning Systems (Energy Performance of Buildings (England & Wales) Regulations 2012) - 18(1), 20, 21	£300	£300
Redress Schemes (requirement of Estate Agents to belong to scheme)	£1,000	£1,000
Minimum Efficiency Standards for buildings (from April 2018) - £5,000 to £10,000 or 10%-to-20% of rateable value		

ANNEX 2 APPENDIX 2

REVIEW OF CHARGES – ENVIRONMENTAL HEALTH AND PEST CONTROL 2019/2020

- 2.0 In reviewing these fees and charges, officers from the Directorate have considered:
- the budget strategy for 2019/20.
 - the need to ensure that relevant expenditure and income targets are met and full cost recovery achieved.
 - fees and charges levied by neighbouring districts.
 - consultation responses.

2.0.1 The non-statutory fees and charges have been set in accordance with the above considerations.

2.0.2 For 2019/2020 Environmental Health have again used the rationale of maximising their income, based on market forces, to assist in meeting the corporately set income targets and fees inflation for the sections.

2.1 Issuing of Food Condemnation/Surrender Notes by Environmental Health Officers

It is proposed that the fee for issuing condemnation/surrender notes for freezer breakdowns and for similar insurance purposes be increased to £112 per hour (from £105). This is based on the hourly rate for a GR5 officer plus administration support cost. (Non-Business activity VAT exempt (Tax Code A8 applies))

2.2 Provision of Food Export Certificates

It is proposed that where an inspection of the premises is required, this will be subject to a minimum of £150 (current charge £140) plus an administrative charge of 10%. Inspections that are longer than one hour will be charged at an hourly rate for a GR5 Officer per hour or part of an hour thereafter. (Non-Business activity VAT exempt (Tax Code A8 applies)).

Where no visit is required it is proposed that the fee remain at £102 (current charge £95) for the certificate. (Non-Business activity VAT exempt (Tax Code A8 applies)).

Where Export Certificates have been produced and are no longer required, there will be a charge of £27 (current charge £25) cancellation fee for each certificate produced.

2.3 Food Hygiene Rating Scheme revisits

It is proposed to increase the charge for all FHRS revisits that are requested by businesses to obtain a new food hygiene score to £187 (currently £175). These requests are received following a programmed inspection that gave a lower score than a business would like to trade under and is additional work over and above our statutory duty for food interventions. (Non-Business activity VAT exempt (Tax Code A8 applies)).

Summary

Food Condemnation / Export / Hygiene matters	2018/19	2019/20
Food Condemnation / Surrender Notes	£105.00	£112.00
Provision of Food Export Certificates	£140.00	£150.00
Provision of Food Export Certificates where no visit required	£95.00	£102.00
Food Export Certificates where produced but no longer required	£25.00	£27.00
FHRS Revisit to obtain new Food Hygiene Score	£175.00	£187.00

2.4 Health and Safety

On occasions solicitors request copies of health and safety accident reports. The Health and Safety at Work etc. Act 1974, Section 28, sub-section 9, allows a disclosure by an authorised officer of a “written statement of relevant facts observed by him” (Employment Protection Act 1975). It is proposed to make a minimum charge of £165 (two hours at GR5) plus the hourly rate of £82 per hour or part hour thereafter. (Current charge is £154 and £77 per hour). VAT will be applied at its appropriate rate, in addition to this cost.

- 2.5 Your officers can deliver a range of bespoke training courses specifically for other local authority officers for example on practical incident investigation. This service assists other local authorities who have less experience and smaller health and safety teams. It is proposed that the charge is increased to £86 per delegate for one day’s training [excluding any refreshments] with a minimum number of ten delegates per course (currently £80). (VAT exempt if only L/A officers attend. VAT would be payable for external delegates and must be added to their charge).

Summary

Health and Safety	2018/19	2019/20
Section28 HSWA for legal Accident Reports	£154.00	£165.00
Section28 HSWA additional hourly rate for accident reports	£77.00	£82.00
Health and Safety Training - per delegate, per day	£80.00	£86.00

2.6 Food and Health and Safety Primary Authority Partnerships

Environmental Health Food and Health & Safety Teams have set up a number of Primary Authority Partnerships with national multisite businesses. This is part of a national programme to enable local authorities and businesses to work together to help improve consistency in regulation. The programme is overseen by the Government's Better Regulation office and enables local authorities to recharge for the time spent on servicing the partnership. By

statute costs incurred by Councils participating in Primary Authority Partnerships are recharged on a cost recovery basis.

The current charging arrangements which have already been agreed with our current partners are based on an officer's hourly rate. The proposed charge, therefore, reflects the 2019/2020 Grade 5 Officer hourly rate of £82 plus expenses (current charge £77). (VAT applies but is currently zero rated for this work).

2.7 Environmental Conveyancing Searches

A number of requests are made (usually by solicitor firms) for environmental information held by the Service to assist in conveyancing. The information has to be supplied (where held) under the Environmental Information Regulations. Although no charge can be made for providing the raw information, a charge can be made for the cost of processing the information into a usable report. It is proposed that the fees increase to £73 for a Basic Search and £107 for an Advanced Search (current charges £68 and £100 respectively).

2.8 Statutory Default Work

Where work is carried out in default, reasonable costs of the work are recovered i.e. the officers' time (at their respective hourly rates) plus the costs associated with the work necessarily required from third party agents such as locksmiths or vehicle recovery contractors. It would also include any statutory fees and daily charges that are applicable. It is proposed to charge £96 (previously £90) for administration costs for invoices. This work is undertaken by a GR4 officer and the costs reflect both the raising of the invoice and chasing up and close down of invoices that are paid. The total time of this is estimated to be 1½ hours on average per invoice. Officer time relating to seizure of sound equipment is charged at a fixed rate of £110 (currently £100). This is designed to minimise the likelihood of seized equipment not being reclaimed by owners, which would potentially result in excessive/on-going storage and disposal costs for the council that may not be rechargeable.

2.9 Attendance at Exhumations

It is proposed to increase the fixed fee from £300 to £321 (plus VAT) to be received in advance of an exhumation. This is inclusive of early starts and completion of documentation before and after such work. If human remains are to be added to an existing grave requiring an exhumation approval then the charges for this work will be based on an hourly rate of a GR5 officer.

2.10 Licences for the Distribution of Free Literature

The three areas of the city which are designated as consent areas for the distribution of free literature are: the City Centre, Digbeth and Hurst Street. The current charge for consents is £260 and it is proposed to increase this to £278. The income supports the implementation and enforcement of this consent regime and this avoids putting any further burdens on businesses advertising in the City by way of free literature. Under the legislation local

authorities may only make reasonable charges for setting up and enforcement activities within the consent zones and the consent zones are designed to prevent the defacement that can be caused by discarded material. All of the receipts from the scheme are reinvested in its implementation, operation and enforcement and no charge can be levied for clear-up costs.

Conveyancing and Default work / Free Literature Consents	2018/19	2019/20
Primary Authority Partnership's (Statutorily set at cost recovery)	Cost recovery	Cost recovery
Processing Environmental Information for conveyancing – Basic	£68.00	£73.00
Processing Environmental Information for conveyancing – Advanced	£100.00	£107.00
Statutory Default Work - Admin costs for Invoices / Processing	£90.00	£96.00
Statutory Default Work - Seizure of Sound Equipment	£100.00	£110.00
Attendance at Exhumations (incl completion of documentation)	£300.00	£321.00
Distribution of free literature consents	£260.00	£278.00

Summary

2.11 Pest Control

For 2019/20 Pest Control have used the rationale of maximising their income, having regard to market forces, to assist in meeting the income targets for the section.

Due to wider usages of effective gel treatments for cockroaches it is also proposed to reduce the price of these treatments to encourage a greater take-up. The table below identifies the number of treatments per year undertaken by the team. Treatment fees were introduced on 1st December 2015.

Cockroach Complaints by Year	
2012/13	512
2013/14	561
2014/15	637
2015/16	283
2016/17	230
2017/18	164
2018/19	196

The Pest Control service has a savings proposal to increase income by £0.200m for the financial year. As part of this saving proposal within the corporate budget strategy it includes a proposed introduction of £25.00

contributory charge for domestic rat treatments. This is currently provided free of charge and is subject to public consultation.

DOMESTIC Pest Control

Domestic	2018/19 (VAT element)	2019/20	VAT @20%	Total	
Rats - All domestic treatments	Free of charge	Free of charge	£0.00	Free of charge	
Rats - Pest proofing of holes on site when treating for rats	£85 (£102)	£91.67	£18.33	£110.00	
Rats - Covering of broken or defective air vents on site when treating for rats	£85 (£102)	£91.67	£18.33	£110.00	
Cockroaches - all treatments - first visit	£85 (£102)	£50.00	£10.00	£60.00	Reduced Price
Cockroaches - all treatments - follow up per 30mins	£30.00	£26.67	£5.33	£32.00	
Bedbugs - all treatments - first visit	£85 (£102)	£91.67	£18.33	£110.00	
Bedbugs - all treatments - follow up per hour plus VAT	£60.00	£52.50	£10.50	£63.00	
Mice - mouse poison offered at Neighbourhood Office	Free of charge	Free of charge	£0.00	Free of charge	
Mice - Advice and break-back traps (only once on site and identified as mice not rats)	£85 (£102)	Cease: no up take			
Mice - all treatments - first visit (Subject to contributory charge being ratified by council budget).	£85 (£102)	£20.83	£4.17	£25.00	Possible Reduced Price
Wasps - Minimum call out charge for a treatment	£60.00	£50.00	£10.00	£60.00	
Wasps - 2 or more nests, multiple treatments + revisits	£70.00	£62.50	£12.50	£75.00	
Fleas - Visit to put in monitoring traps + materials	£30 (£36)	Cease: no up take			
Fleas - Treatment per property (per visit)	£135 (£162)	£50.00	£10.00	£60.00	
Squirrels - proofing lopping trapping plus materials	£85 (£102)	Cease: no up take			
Squirrels - reset trap per visit	£85 (£102)	Cease: no up take			

Domestic	2018/19 (VAT element)	2019/20	VAT @20%	Total
Ants (one visit, demonstrate how to treat ants and sale of appropriate bait stations excludes pharaoh ants).	Free of charge	Cease: no up take		
Other insect treatments - first hour	£85 (£102)	£91.67	£18.33	£110.00
Other insect treatments - subsequent half hour	£30 (£36)	£26.67	£5.33	£32.00

COMMERCIAL

Commercial	2018/19	2019/20	VAT @20%	Total
All treatments for commercial / non-domestic and landlords that are responsible for property wide infestations - first visit	£85 (£102)	£91.67	£18.33	£110.00
Bedbugs / Pharaoh Ants - first visit	£85 (£102)	£91.67	£18.33	£110.00
Clearance work (rodent/insect/bird/premises) - first hour	£85 (£102)	£91.67	£18.33	£110.00
Clearance work (rodent/insect/bird/premises) - subsequent hours plus materials plus VAT	£85 (£102)	£91.67	£18.33	£110.00
Additional Charges for jobs involving hazardous waste (clinical/needle/etc.)	£125 (£150)	£133.33	£26.67	£160.00
Land clearance and associated weed control when treating for rodents (Land clearance materials charged plus 10% administration)	£85 (£102)	£91.67	£18.33	£110.00

Commercial jobs that are competitively tendered, at a rate above or below the agreed rate above will be authorised by the Head of Service or Director, plus materials and VAT.

2.12 Animal Welfare – Stray Dog Charges

It is proposed to alter the charges applied to dog owners where their dogs strayed. Where dogs are claimed from the Birmingham Dogs Home or where dogs are returned directly to their owners there will be a £25 charge made. The £25 fee is a statutory amount prescribed by the Environmental Protection Act 1990 and cannot be altered. The Act also permits local authorities to

charge dog owners all costs incurred by the seizure and detention of their dog if seized as a stray. It is proposed therefore to charge dog owners all such costs, which may include out of hours kennelling charges or veterinary fees, as well as officer time.

It is proposed to charge £95 (previously £85) for dog handling services, in respect of restraining or removing dogs for example at an eviction or forced entry. Where the attendance on site extends beyond an hour additional time spent will be charged at GR3 per hour or part thereof. Any additional Dog Wardens that need to attend for multiple or large / difficult dogs, will be charged at an additional GR3 per officer per hour.

2.13 Animal Welfare Licensing

The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018, came into effect on 1 October 2018. Changes to licence fees came into effect in October 2018, following committee approval. The new Regulations allow licences to run for 1, 2 or 3 years and licence fees must reflect this; they must also reflect the need for a separate application and yearly fee. The length of a licence is determined by a new star rating of premises, which must be determined by the inspecting officers following inspection and in consideration of previous compliance history. The new Regulations require a longer inspection and application process, which has resulted in an increase in charges. There are also new provisions which allow licenced premises to apply for a variation to their licence and also to request additional inspections; proposed costs for these are outlined below.

The tables below identify animal related licensed premises and associated reviewed fees. The proposed fees are in-line with charges made by other local authorities and have been based on the average times taken by GR4 and GR5 officers undertaking this work.

Where officers carry out assessments of dogs kept by any person looking to adopt or foster a child, it is proposed to charge the officer's full hourly rate from the start to completion of the assessment, this includes travel time and providing a report on the suitability or otherwise of any dog(s) kept by the potential carers to the adoption/fostering team. The previous cost of £85 per assessment does not reflect the variation in time spent processing these requests, in particular when assessments are conducted outside the Birmingham boundary.

Where officers carry out work on behalf of social services involving the removal of animals where their owners have been admitted into hospital or found to be deceased, it is proposed to charge £95 (previously £85) to attend and remove animals and a further £48 (GR3) per hour or part thereof charged for any subsequent visits required. Office activities (GR4) will be charged at the officer's hourly rate or part thereof.

Proposed Animal Welfare Licence Fees - 2019/2020.

New Licences

Licensable Activity	Total Licence Fee 1 year licence	Current Fee	Vets Fees	L A Inspection upon Request	Application to Vary Licence
Selling Animals as Pets	£444.25	£432.50	At Cost	£106.50	£164.25
Commercial Animal Boarding	£373.75	£314.50	At Cost	£106.50	£164.25
Dog Breeding	£373.75	£314.50	At Cost	£106.50	£164.25
Dangerous Wild Animals	£373.75	£322.50	At Cost	£106.50	£164.25
Home Dog Boarding	£259.25	£245.50	At Cost	£106.50	£57.75
Arranging Animal Boarding (where no animal boarding licence in place)	£140.75 (plus £79 inspection per premises as required)	N/A	At Cost	£106.50	£57.75 (plus £79 inspection per premises as required)
Hiring of Horses	£492.25	£322.50	At Cost	£106.50	£164.25
Keeping/Training Animals for Exhibition	£452.75 (3 year licence)	£245.50	At Cost	£106.50	£164.25

Renewal Licences

Licensable Activity	Application Fee	Licence Fee (1 year)	Licence Fee (2 year)	Licence Fee (3 year)	Vets Fees	L A Inspection on request	Application to Vary Licence
Selling animals as pets	£164.25	£79	£158	£237	At Cost	£106.50	£164.25
Commercial Animal Boarding	£176.25	£79	£158	£237	At Cost	£106.50	£164.25
Dog Breeding	£176.25	£79	£158	£237	At Cost	£106.50	£164.25
Dangerous Wild Animals	£176.25	£79	£158	£237	At Cost	£106.50	£164.25
Home Dog Boarding	£81.50	£79	£158	£237	At Cost	£106.50	£57.75

Licensable Activity	Application Fee	Licence Fee (1 year)	Licence Fee (2 year)	Licence Fee (3 year)	Vets Fees	L A Inspection on request	Application to Vary Licence
Arranging Animal Boarding (as stand-alone licence)	£140.75 (plus £79 per inspection per premises as required)	£79	£158	£237	At Cost	£106.50	£57.75 (plus £79 per inspection per premises as required)
Hiring out Horses	£215.75	£79	£158	£237	At Cost	£106.50	£164.25
Keeping / Training Animals for Exhibition	£215.75	N/A	N/A	£237	At Cost	£106.50	£164.25

Note 1

Cost for the re-issue of an existing licence £10.50 (Licensing Act 2003 standard charge)

Note 2

Where any veterinary inspection is required then these will be charged at cost.

Note 3

Zoo Licensing remains unchanged, any inspections carried out by Inspector appointed by the Secretary to State are charged to the applicant as an additional fee.

Type of Licence	Current Fee	Proposed Fee
Zoos		
- 4 year licence (new)	£2,670	£2,670
- 6 year licence (renewal)	£2,670	£2,670

2.14 Fixed Penalty Notice Tariffs

The Fixed Penalty Notice (FPN) tariffs are detailed at Appendix 2(a).

2.15 All other FPNs are set at their legal maximum except:

- Unauthorised Distribution of Free Literature
- Graffiti and Flyposting
- Litter

(Tariffs amended by The Environmental Offences (Fixed Penalties) (England) Regulations 2017)

- 2.16 Committee can consider varying the tariff for the FPNs in 2.15 and if so minded reduce the tariff of any FPN which is not set by statute.
- 2.17 With regard to the Littering FPN committee are asked to consider the following:
- The current payment rate of FPNs is approximately 85%
 - Approximately 700 prosecutions for non-payment were submitted last year (10% of FPNs issued)
 - The remainder had reasons not to be pursued.
 - Increasing the tariff to the maximum may dissuade littering
 - Increasing the tariff may decrease the repayment rate and increase the prosecution rate. An increased prosecution rate would require extra staff to administer this process.
 - Reducing the tariff at £80 does not reflect the Governments default level (£100) if no action were taken.
- 2.19 Early repayment discounts were discontinued as few people took note of the timelines and most paid the lower payment significantly after the expiry of the discounted period. This led to inequalities and administration difficulties. It is your officers recommendation that committee do not reinstate early payment rates.

FIXED PENALTY NOTICE TARIFFS

ANNEX 2 APPENDIX 2(a)

OFFENCE	LEGISLATION	EXISTING TARIFF 2018/2019 Existing FPN & Early Discount	PENALTY CAN BE SET	FPN TARIFF FOR 2019/2020
Community Protection Notice. (For fixed penalty notices repealed under Environmental Protection Act 1990 and Clean Neighbourhoods and Environment Act 2005, including former Street Litter Control notices and Litter Clearing Notices)	s.52(7) Anti-social Behaviour Crime and Policing Act 2014	£100 No discount for early payment	Maximum £100 Indeterminate discount can be offered for early payment (the range is not specified)	£100 No Discount for early payment
Unauthorised distribution of literature in a consent area	Schedule 3A, para.7(2) Environmental Protection Act 1990	£100 No discount for early payment	Between £65 - £150 Minimum discount for early payment £50	£100 No Discount for early payment
Graffiti and Flyposting	s.43 Anti-social Behaviour Act 2003	£100 No discount for early payment	Between £65 - £150 Minimum discount for early payment £65	£100 No Discount for early payment
Litter	s.88(1)Environmental Protection Act 1990	£100 No discount for early payment	Between £65 - £150 Minimum discount for early payment £65	£100 No Discount for early payment
Domestic Duty of Care Fixed Penalty Notice	Section 34(2)(A) Environmental Protection Act 1990	This is a new FPN tariff set at 16 January 2019 LPPC meeting.	Between £150 to £400 Discount can be set between £120 & £150	£200 No Discount for early payment

OFFENCE	LEGISLATION	EXISTING TARIFF 2018/2019 Existing FPN & Early Discount	PENALTY CAN BE SET	FPN TARIFF FOR 2019/2020
Failure to produce written particulars of waste [waste transfer notes]	s.34A (2) Environmental Protection Act 1990	£300 set by statute No discount for early payment	Set by statute Minimum discount for early payment £180	£300 No Discount for early payment
Failure to furnish documentation of waste carriers registration	s.5B(2) Control of Pollution (Amendment) Act 1989	£300 set by statute No discount for early payment	Set by statute Minimum discount for early payment £180	£300 No Discount for early payment
Failure to comply with notice for commercial or industrial waste receptacles and presentation	s.47ZA, 47ZB of the Environmental Protection Act 1990	£110 No discount for early payment	Between £75 - £110 Minimum discount for early payment £60	£110 No Discount for early payment
Failure to comply with notice for household waste receptacles and presentation	s.46, Environmental Protection Act 1990	£60	Set by statute No discount allowed	£60
Noise from domestic dwellings exceeding a permitted level	s.8 Noise Act 1996	£110 No discount for early payment	Between £75 - £110 Minimum discount for early payment £60	£110 No Discount for early payment
Noise from licensed premises	s.8 Noise Act 1996	£500	Set by statute No discount allowed	£500
Unauthorised deposit of waste (fly-tipping)	33A Environmental Protection Act 1990	£400 No discount for early payment	Between £150 and £400 Minimum discount for early payment £120	£400 No Discount for early payment

OFFENCE	LEGISLATION	EXISTING TARIFF 2018/2019 Existing FPN & Early Discount	PENALTY CAN BE SET	FPN TARIFF FOR 2019/2020
Abandoning a vehicle	s.2A (1) Refuse Disposal (Amenity) Act 1978	£200 set by statute No discount for early payment	Set by statute Minimum discount for early payment £120	£200 No Discount for early payment
Smoking in a smoke free place or vehicle	S.7 Health Act 2006	£50 £30 If paid in 15 days	Set by statute Discount set by statute £30 if paid within 15 days	£50 £30 If paid in 15 days
Failure to display no smoking signs	s.6 Health Act 2006	£200 £150 if paid in 15 days	Set by statute Discount set by statute £150 if paid within 15 days	£200 £150 if paid in 15 days

ANNEX 2 APPENDIX 3

REVIEW OF CHARGES - REGISTER OFFICE 2019/2020

Relevant Background

- 1.1 In reviewing these fees and charges, officers from the Directorate have considered:
 - the budget strategy for 2019/20.
 - the need to ensure that relevant expenditure and income targets are met and full cost recovery achieved.
 - Statutory Fee changes
 - Introduction of revised Statutory fees
 - consultation responses
- 1.2 The non-statutory fees and charges have been set in accordance with the above considerations.
- 1.3 The Register Office fees and charges were calculated to generate an additional net income of £0.051m (equivalent to 7% on Non-Statutory budgets). However General Register Office have announced a number of changes to the statutory fee structure which take effect on 16 February 2019. After having sought clarification and further to a letter of 21 January 2019 addressed to Proper Officers, Local Registration Services have been advised that they are required to implement the new structure without any local flexibility.
- 1.4 Whilst the changes increase certificate fees, they prevent Birmingham Register Office from generating income by charging a processing fee for certificate applications and by applying a tiered priority certificate production service. The financial implication is to cause a pressure on the service of an estimated £0.060m going into 2019/20.
- 1.5 The budget consultation process for 2019/20+ includes proposals of additional new services for Floral Ceremony Packages, Photography Packages, change of name service, etc. An additional income target of £0.040m has been applied for these schemes.
- 1.6 Where applicable, prices for 2020/21 have also been included. This is principally to allow for advanced booking and payment for weddings. In most cases these have assumed an inflation of 2% from the 2019/20 prices.

Approved Buildings

- 1.7 Birmingham City Council has responsibility for approving non-religious venues for Civil Marriage and Partnerships. Some fees relate to services that are traditionally booked well in advance. For these services the fees are set out for more than one financial year.
- 1.8 Following a consultation exercise, fees for non-religious venues have been kept at the same level as 2018/19 as shown in the table below. This will mitigate potential loss of income and damage to the reputation of the city from non-renewal of licences by venues and cancelled ceremonies.

Register Office - Approved Buildings	2018/19	2019/20
New Application for approval of premises to include ONE room 3 years	£3,402.00	£3,402.00
Renewal of existing approved premises to include ONE Room 3 years	£2,376.00	£2,376.00
Additional rooms included in the application (per room) 3 years	£756.00	£756.00
Additional rooms added after the application approved 3 years	£864.00	£864.00
Application for approval of religious building for Civil Partnerships 3 years	£668.00	£668.00
Renewal of existing approved premises to include ONE Room 6years	£4,212.00	£4,212.00
Additional rooms included in the application (per room) 6years	£1,080.00	£1,080.00
Additional rooms added after the application approved 6years	£864.00	£864.00
Application for approval of religious building for Civil Partnerships 6years	£668.00	£668.00

Register Office Ceremony Suites

- 1.9 A simpler and streamlined fee structure is proposed for 2019/20. The fees for a ceremony within the Superintendent Registrar's office are statutory by nature.
- 1.10 Statutory fees are set nationally by General Register Office and not this committee. However, they are provided for information.
- 1.11 Enriched marriage/ civil partnership services will be available for which increased fees will be charged as shown in the table below.
- 1.12 The Ceremony Room charge will be £191 from 01 April 2019.
- 1.13 If the couple wish to have enhanced items such as readings or music then an additional charge of £50 will apply for those items not on the pre-approved list.
- 1.14 If the couple wish to add readings and music that are not on the pre-approved list then a further (i.e. additional to the £50) charge of £30 per additional item will be levied.
- 1.15 There will be a fee for separate interviews prior to the ceremony of 50, subject to availability.

Register Office - Ceremony Suite	2018/19	2019/20	2020/21
Ceremony Suite - Statutory Room (excludes Certificate)	£46.00	£46.00	£46.00
Ceremony Suite - Charge for Basic Ceremony (excludes Certificate)	£176.00	£191.00	£199.00
Ceremony Suite - Charge for Reading or Music Enhancements (not on pre-approved list)	£0.00	£50.00	£51.00
Ceremony Suite - Additional - Own Reading and Music Enhancements (not on pre-approved list)	£0.00	£80.00	£82.00
Ceremony Suite - Additional - Separate Interviews prior to the ceremony (subject to availability)	£0.00	£50.00	£51.00
Ceremony Suite Fully Enhanced Ceremony – Saturday afternoons only (excludes certificate fee)	£321.00	£346.00	£360.00

- 1.16 By setting the fees so far in advance it allows couples, wishing to marry, to plan and budget ahead with confidence.
- 1.17 All ceremony suite fees are subject to room availability

Attendance at Approved Premises

1.18 Fees for registration staff to attend a ceremony taking place at one of the City's 48 approved venues are also set out for more than one financial year for the same reason as above.

Register Office – Attendance	2018/19	2019/20	2020/21
Monday to Friday	£520.00	£540.00	£551.00
Weekend	£660.00	£690.00	£704.00
Public Holiday	£660.00	£800.00	£820.00

Other Fees

1.19 Following the implementation of revised Statutory fees for the issue of certificates in February 2019 there is no longer a tiered priority service for certificate production. The tiered service has been replaced by a single priority fee for the production of a certificate before the next working day of £24.00.

Register Office – Certificates	2018/19	2019/20	2020/21
Certificate Priority - Same Day (Statutory fee which excludes certificate fee)	£40.00	£24.00	£24.00
Certificate Priority (now a statutory fee) - Next Working Day (excludes certificate fee)	£22.00	£00.00	£00.00
Certificate Priority - 3 Working Days (excludes certificate fee)	£11.00	£00.00	£00.00

1.20 Following a review of The Nationality Checking Service (NCS), UK Visa and Immigration withdrew this service from local registration services in Autumn 2018.

1.21 It is proposed to increase the remaining non – statutory fees from 01 April 2019 as shown below.

Register Office - Other Fees	2018/19	2019/20	2020/21
Nationality Checking service - one adult	£110.00	£0.00	£0.00
Nationality Checking service - couple	£160.00	£0.00	£0.00
Nationality Checking service - family (up to 4)	£180.00	£0.00	£0.00
Nationality Checking service - additional minors	£60.00	£0.00	£0.00
Private Citizenship Ceremony - Monday – Friday (per person)	£170.00	£200.00	£204.00
Private Citizenship Ceremony – Saturday (per person)	£180.00	£225.00	£230.00
NCS change of appointment fee	£40.00	£0.00	£0.00
NCS additional appointment fee	£40.00	£0.00	£0.00
Fee for talk by genealogist	£50.00	£0.00	£0.00
Fee charged for research (per half hour)	£40.00	£50.00	£51.00
Fee for international postage via on-line application form	£6.50	£6.50	£6.50

Register Office - Other Fees	2018/19	2019/20	2020/21
Change of Notice appointment (charged on the second and subsequent appointment changes where 48 or more hours notice is given)	£20.00	£21.00	£22.00
Celebratory Certificates (at time of birth registration)	£10.00	£11.00	£11.00
Change of Name deed (includes certificate)	£60.00	£61.00	£61.00
Change of name certificate additional copies	£10.00	£11.00	£11.00
Special Celebratory Certificates (birthday, grandparents, anniversary)	£20.00	£21.00	£21.00

* Those fees identified as £0 for 2019/20 ceased in Autumn 2018.

Register Office - Other Fees	2018/19	2019/20	2020/21
Photographs and flowers package		TBA	TBA
Pitch at Wedding Fayre	£40.00	£50.00	£51.00
Hire of ceremony rooms 2 or 3 for function/event - half day or full day	POA	POA	POA
Hire conference room for function/event - half / full day	POA	POA	POA
Training for authorised person to register marriages / quarterly returns	£60.00	£70.00	£72.00
Appointment to check completeness / validity of notice for Marriage (non-refundable)	£40.00	£40.00	£40.00
Save the day – approved premise- ceremony > 12 months in advance	£75.00	£75.00	£77.00
Save the day – ceremony suites- ceremony > 12 months in advance	£60.00	£65.00	£66.00
Save the day – ceremony suites- Register Office ceremony > 12 months in advance	£50.00	£55.00	£56.00
Priority service at approved premises – to take place within 12 weeks (additional)	£75.00	£75.00	£77.00
Provision of folder	£1.25	£1.00	£1.00
Provision of envelope	£0.65	£0.50	£0.50
Postage – signed for from	£2.50	£2.50	£2.50
Postage International from	£6.50	£6.50	£6.50
Priority Correction/ Re-registration Appointment	£40.00	£43.00	£44.00
Production of further documents for notice of marriage/civil partnership	£20.00	£21.00	£22.00
Keepsakes/additional products	POA	POA	POA
Administration of post-dated passport forms	£20.00	£21.00	£21.00
European Passport Return Service	£20.00	£25.00	£26.00
Postage per application up to and including 500g	£8.00	£9.00	£9.00
Postage per application up to and including 1kg	£10.00	£11.00	£11.00
Postage per application up to and including 2kg	£12.00	£13.00	£13.00
Postage per application up to and including 10kg	£30.00	£32.00	£33.00
Postage per application up to and including 20kg	£45.00	£48.00	£49.00
Register Office ceremony advance booking	£50.00	£55.00	£56.00
Register Office ceremony suite advance booking	£60.00	£65.00	£66.00
Register Office ceremony change to a booked ceremony	£50.00	£55.00	£56.00
Register Office ceremony suite change of appointment fee	£60.00	£65.00	£66.00

Register Office - Other Fees	2018/19	2019/20	2020/21
Approved Premises advance ceremony booking fee	£75.00	£75.00	£77.00
Approved Premises change to a booked ceremony	£75.00	£75.00	£77.00
Advice in advance of taking notice of marriage per applicant	£5.00	£5.00	£5.00
Processing of a non-priority on-line application for a standard certificate after registration	£6.00	£0.00	£0.00

Statutory Fees and Charges

- 3.1 A table of the current statutory fees is detailed below. These are set externally / nationally and are provided for information.
- 3.2 It should be noted that the fee for the issue of a birth, death, marriage and civil partnership certificate has increased from £4.00 - £11.00. It is anticipated that this fee increase will mitigate some of the loss of income from the removal of the tiered priority certificate production service and processing fee.

Register Office – Statutory Fees	2018/19	2019/20
Superintendent Registrar's Certificate of Birth, Death or Marriage	£10.00	£11.00
Registrar's Certificate issued at the time of Registration	£4.00	£11.00
Registrar's Certificate after Registration	£7.00	£11.00
A general search in indexes not exceeding 6 hours	£18.00	£18.00
Certificate of Worship	£29.00	£29.00
Registration of a religious building for marriage	£123.00	£123.00
Registration of a religious building for marriages for same sex couples (That is already registered)	£64.00	£64.00
Notice of Marriage	£35.00	£35.00
Notice of Marriage subject to immigration Act	£47.00	£47.00
Notice of Civil Partnership subject to immigration Act	£47.00	£47.00
Notice of Civil Partnership	£35.00	£35.00
Fee to reduce the legal waiting period of a notice of marriage/civil partnership	£28.00	£28.00
Fee for sharing information under the Digital Economy Act	£50.00	£50.00
Fee payable to Registrar for marriage Ceremony at register Office	£46.00	£46.00
Fee payable to Registrar for marriage Ceremony at registered building	£86.00	£86.00
Attendance of Civil Partnership Registrar at Register Office	£46.00	£46.00
Notice given at Housebound Person's abode SR attendance	£47.00	£47.00
Notice given at Detained Person's abode SR Attendance	£68.00	£68.00
Attendance of Registrar at Housebound Person's Marriage	£81.00	£81.00
Attendance of Registrar at Detained Person's Marriage	£88.00	£88.00
Attendance of Superintendent Registrar at Housebound Person's marriage	£84.00	£84.00
Attendance of Superintendent Registrar at Detained Person's marriage	£94.00	£94.00
Attendance of CP Registrar at Housebound Person's CP	£81.00	£81.00
Attendance of CP Registrar at Detained Person's CP	£88.00	£88.00
Registrar General's Licence for Marriage	£15.00	£15.00
Fee of priority certificate –Next working day	£24.00	£24.00

Register Office – Statutory Fees	2018/19	2019/20
Standard Conversion Civil partnership to marriage	£45.00	£45.00
Two stage procedure stage 1 conversion civil partnership to marriage	£27.00	£27.00
SR attendance Conversion Civil partnership to marriage according to Jews / Society of Friends	£91.00	£91.00
SR attendance Conversion Civil partnership to marriage Housebound	£99.00	£99.00
SR attendance Conversion Civil partnership to marriage detained	£117.00	£117.00
Registrar General's Licence for Civil Partnership	£15.00	£15.00
CP Registrar's attendance at religious building	£86.00	£86.00
CP certificate issued after registration	£4.00	£11.00
CP certificate issued after registration	£10.00	£11.00
First short birth certificate issued at time of registration	£4.00	£11.00
Consideration by a Superintendent Registrar of a divorce/Civil Partnership dissolution	£50.00	£50.00
Consideration by a Registrar / Superintendent Registrar of a correction application	£75.00	£75.00
Consideration by the Registrar General of a correction application	£90.00	£90.00
Consideration by the Registrar General of divorce/ CP dissolution from outside British Isles	£75.00	£75.00
Consideration of a reduction in the 28 day notice to marry / civil partnership	£60.00	£60.00
Amendment	£40.00	£40.00
Adult attending communal citizenship ceremony	£80.00	£80.00

ANNEX 2 APPENDIX 4

REVIEW OF CHARGES – CORONER’S SERVICE 2019/2020

- 4.1 Fees that are chargeable are set out nationally in the Coroners Allowances, Fees and Expenses Regulations 2013.
- 4.2 There are nationally set at:
 - 4.2.1 After inquest, a document disclosed as a paper document is charged at £5 for a document of 10 pages or less, with an additional 50p payable for each subsequent page.
 - 4.2.2 A fee of £5 per document where it is disclosed in any form other than email or paper – i.e. CD copies of inquests.
 - 4.2.3 For a transcription of an inquest of 360 words or less the fee is £6.20, 361-1,439 words is £13.10 and 70p for every additional 72 words or part thereof.
- 4.3 The only locally set fee is the search fee for archive documents. It is proposed to increase the fee to £48 per hour (from £46) which is the GR3 hourly cost.

ANNEX 2 APPENDIX 5

REVIEW OF CHARGES – BIRMINGHAM ACCOUNT TEAM 2019/2020

(Formerly Surveying Services)

- 5.1 The Birmingham Account Team (formerly Surveying Services group), which is part of Acivico (Building Consultancy) Limited, carry out a range of professional surveying services for both internal and external client groups that are responsible for property portfolios. The scope of services includes the carrying out of technical functions in support of the discharge of the Council's Building Control allied legislative requirements as detailed in The Building Act 1984 and the administration of demolition contracts required to facilitate the Council's regeneration targets. The group also carry out a variety of enforcement duties where full cost recovery is undertaken when the legislation allows.
- 5.2 The work is normally charged on an hourly basis. The current (2018/2019) charge is £72.00 per hour, and it is proposed that this fee will increase to £78.00 per hour. The fees for the year 2018/2019 were held static at the 2017/2018 rate, however, this forthcoming year an increase in the rate is required to cover rising costs and ensure the service is not carried out at a loss. The revised rate is still in line with other professional services carried out within the council and very competitive with regards to the private sector. The increase is necessary to address the increased cost of labour, increases in other on-costs and the necessity to maintain sufficient resources to handle the Council's requirements.
- 5.3 The charge levied in respect of Private Demolition Notices, which is a fixed fee per notification, is currently (2018/2019) set at £220.00 which was also held static last year. It is proposed to increase this fee in line with the increases proposed in paragraph 4.2. Therefore, the new fee will be £240.00.
- 5.4 The charge in respect of notices for temporary grandstands, which is required under the West Midlands County Council Act 1980 Section 39, is based on cost recovery in line with the hourly rate for the Birmingham Account Team as above and it is proposed to revise this rate to £78.00 per hour as well.
- 5.5 Work carried out indicates that, within the limitations of operating within a competitive market and statutory framework, the fees proposed should maximise income to the City Council through Acivico as well as providing good value for money to Acivico customers.

APPENDIX Y: GLOSSARY

Budget Pressures

Areas in which the Council costs have increased.

Business Rates

A local tax paid by businesses to their local authority, based on the value of their premises as assessed by the Government Valuation Office Agency (VOA).

Business Rates Retention Pilot

A scheme whereby the seven Metropolitan District Councils in the West Midlands are testing out arrangements for the retention of all Business Rates locally. In many local authorities around half of the Business Rates generated are paid to the Government.

Capital Expenditure

Expenditure on the acquisition of a fixed asset, or expenditure which adds to, and not merely maintains, the value of an existing fixed asset. The Government has also enacted regulations which results in certain other types of spending being treated as Capital Expenditure.

Capital Financing Requirement (CFR)

A measure of an authority's cumulative need to borrow to finance capital expenditure, or to meet the costs of other long-term liabilities.

Capital Receipt

Money received from the disposal of land and other assets, and from the repayment of some grants and loans made by the Council. Capital receipts can normally only be used to fund capital expenditure or to repay borrowing (but see "Capital Receipts Flexibility").

Capital Receipts Flexibility

A temporary arrangement under which the Government allows revenue costs which are incurred in order to deliver future savings to be funded from Capital Receipts.

Capital Resources

Funding which can only be used to fund capital expenditure or to repay borrowing. Examples are Capital Receipts and grants which are ringfenced to fund capital expenditure.

Collection Fund

A separate account administered by the Council collecting receipts from Council Tax and Business Rates and paying it on to the Council's General Fund and other public authorities.

Collection Fund Surplus/Deficit

The payment from the Collection Fund to the General Fund and precepting authorities is based upon the amount determined at the time of setting the budget each year. If actual income differs from the amount assumed, this will lead to a surplus or deficit, which is taken into account when the budget is set for the following financial year.

Community Asset Transfer

The transfer of assets owned by local authorities to community organisations, for that organisation to manage them.

Core Spending Power

The Government's estimate of the general resources available to the Council, including Council Tax, Business Rates and some Government grants.

Corporate Grants

Grants which are treated as being available to fund the costs of all services.

Corporate Resources

Resources which are treated as being available to fund the costs of all services.

Council Tax

An amount charged to occupiers of residential properties. The amount payable is determined by the size of the property, which is allocated to one of ten bands which are set nationally, with fixed ratios between the amounts payable in each band. Some people may be entitled to discounts, or are exempt from making any payment.

Council Tax Base

The overall number of properties in the city, expressed in arithmetical terms as the equivalent to the number of Band D properties, net of any discounts and exemptions.

Council Tax Requirement

The amount which must be generated from Council Tax after taking all other sources of income (including grants) away from the total planned costs of providing services.

Dedicated Schools Grant

A grant received from Government which may only be used to meet the costs of services provided by schools and related educational services.

Directorate Grants

Grants which are treated as being available to fund the costs of particular services.

Earmarked Reserve

A reserve which the Council has chosen to set aside to meet specific future liabilities.

Enterprise Zone

A scheme under which all of the increase in Business Rates generated in a defined geographical area in the city centre is retained locally for re-investment, and with these Business Rates being disregarded for the purposes of calculating the level of the Top-up Grant.

Fees and Charges

Income arising from the provision of services, for example, the use of leisure facilities.

Financial Resilience Reserve (FRR)

A reserve created to provide contingency funding in case of the Council facing financial difficulties at some point in the future.

Funding Floor

The Funding Floor defines the minimum level of funding a school will receive.

General Fund

The account which records income and expenditure for all of the services of the Council except for the Housing Revenue Account and the Collection Fund, the net cost of which is met by Council Tax, Business Rates and Government grants.

General Reserves

These are funds that have been set aside for no specific purpose. They are available to manage the impact of exceptional emergencies and unforeseen events. Without such reserves the potential financial impact of these unforeseen events could cause a financial deficit in the General Fund, which would be severely disruptive to the effective operation of the authority.

Grant Related Reserves

Reserves that are required to be used for specific activities undertaken by the Council with little or no flexibility to be spent on other activities. These are mainly for schools or for the Housing Revenue Account and cannot be used to support general Council activity.

Government Grants

Financial assistance from Government or other external bodies as a contribution towards the costs of services. Some grants may be accompanied by strict conditions relating to the how the money can be spent. These are referred to as ringfenced grants.

Grants to Reimburse Expenditure

Funding provided by Government which refunds the expenditure incurred by the Council on the Government's behalf, for example the payment of Housing benefits.

Gross Domestic Product (GDP)

A measure of the total value of goods produced and services provided in the country during one year.

Housing Revenue Account (HRA)

A separate account recording the expenditure and income arising from the provision of council housing. Local authorities are required to maintain this separately from the General Fund.

Improved Better Care Fund (iBCF)

The Government provided £3.9bn nationally to local authorities, over the period 2017/18 to 2019/20, to support transformation in integrated health and social care. Birmingham's share of the grant in 2019/20 is £60.3m. The iBCF is available to meet adult social care costs and reduce the pressures on the NHS, including reducing delayed discharges from hospitals.

Invest To Save Reserve (ITS)

This is held to make funding available to assist in making changes to the way services are provided and ultimately reduce costs in the long term. This reserve is held centrally and operated on the basis that the use of this fund will be repaid in the future through a planned repayment profile linked to specific savings proposals.

Levy

A charge from another public body which must be included in the Council's budget.

Local Government Finance Settlement

The announcement made by the Government each year about the level of Corporate Grant funding that it will provide for each local authority.

Maturity

The period over which money is borrowed or invested.

Minimum Revenue Provision (MRP)

The amount which an authority is required to set aside in order to repay borrowing. The amount is decided by each local authority, having regard to statutory guidance.

National Funding Formula (NFF)

A formula which was introduced by the Government to determine how much funding each school will receive. This will eventually replace the local discretion which is currently available to calculate these amounts.

National Rent Policy

A mandatory Government framework which determines the maximum level at which rents can be set for council housing.

Pension Fund Strain Costs

The extra costs payable to the West Midlands Pension Fund when employees retire and draw their pension earlier than assumed by the Fund.

Policy Contingency

A budget held centrally and not allocated to services at the start of the financial year, which provides funding to meet the costs of certain decisions which may be taken during the course of the year, together with some savings where the service affected is not yet known.

Precept

An amount set by other councils or public bodies (Police and Crime Commissioner, Fire and Rescue Authority and Parish Councils), which the Council collects on their behalf.

Private Finance Initiative (PFI)

A form of contract involving an external company providing services for a fixed period, using facilities that they have provided/constructed.

Prudential Borrowing

A common term used to refer to borrowing to fund capital expenditure which has been taken in accordance with the Prudential Code.

Prudential Code

The guidance provided by CIPFA to which local authorities must have regard in their capital finance activities – the “Prudential Code for Local Authority Capital Finance”.

Prudential Indicators

Financial statistics summarising various aspects of the Council’s capital finance and borrowing which are specified in the Prudential Code.

Prudential Limit for Debt

A limit on the total amount of debt outstanding, which each local authority sets, taking into account its ability to fund the repayments.

Public Works Loan Board (PWLB)

A body of the UK Government that provides loans to local authorities.

Reserves

An amount which may have been accumulated over a number of years, and which has been set aside to fund future expenditure.

Revenue Expenditure

Expenditure on the day-to-day running costs of services e.g. employees, premises, supplies and services.

Revenue Support Grant (RSG)

A grant formerly received from Central Government towards the cost of providing services. The value of this grant reflected the difference between the level of funding assessed by the Government, and the amount which can be generated from Council Tax.

Ring fenced Grant

A grant paid to the Council which has conditions attached to it that restrict how it may be spent.

Ring fenced Reserves

These are reserves that are required to be used for specific activities undertaken by the Council with little or no flexibility. These are mainly for schools or for the Housing Revue Account and cannot be used to support general Council activity.

Right to Buy (RTB) Capital Receipts

Capital Receipts generated from the sale of council housing under the national scheme available to existing tenants. These receipts can only be used in ways determined by the Government, for example to pay for further capital expenditure on council housing.

Section 151 Officer

The Council Officer designated as the person responsible for the proper administration of a local authority's financial affairs (under s151 of the Local Government Act 1972).

Social Care Precept

An extra amount of Council Tax which Councils have been able to charge since 2015/16 to provide funding towards the costs of adult social care services. The Government has set a maximum amount (over four years) which can be generated in this way.

Social Care Support Grant

This is a one-off grant. It is un-ringfenced, and was provided by the Government as a direct response to local authorities' concerns about pressure on adult and children's social care services and it is expected that this funding will be used to meet those pressures. It does not prescribe how much should be spent on adult or children's social care.

Top-up Grant

Additional grant which the Government provides to reflect the difference between the Business Rates income that the Council can actually generate and the amount which the Government has calculated that it needs to spend on services.

Treasury Management

The management of the Council's borrowing, investments, cash and banking arrangements.

West Midlands Devolution Deal

An agreement between the Government, West Midlands councils and the West Midlands Combined Authority (WMCA) which devolves certain powers and duties to the WMCA and provides extra funding to meet the costs of major investment in the region.

Winter Pressures Grant

The Council has received £5.6m of Winter Pressures Grant in 2019/20. The funding is intended to enable further reductions in patients who are medically ready to be discharged from hospitals but are delayed whilst they await adult social care services.