

budget for birmingham 2006/07



Birmingham City Council

introduction

Birmingham City Council is working hard to meet its commitments to people in Birmingham. Our ambition is to provide high quality, cost effective services and to make Birmingham the best run city in England.

Following recent independent inspections, we know we are well on the way to achieving this with Housing and Social Care and Health achieving Star Ratings for the first time and the council as a whole achieving an 'improving well' assessment.

Birmingham is a great place to live and work. We have clear priorities that will help us achieve even more. In our Council Plan for 2006 we say what we want to achieve for Birmingham with partners and local communities.

We also want you to be involved in telling the council what you think it should be doing and how you can contribute to making the city better. To find out more, look out for Forward, or visit our website:

www.birmingham.gov.uk/councilplan



Councillor Mike Whitby
Leader of the Council



Councillor Paul Tilsley
Deputy Leader of the
Council

A handwritten signature in black ink that reads "Mike Whitby". The signature is written in a cursive style with a long horizontal flourish underneath.

A handwritten signature in black ink that reads "Paul Tilsley". The signature is written in a cursive style with a long horizontal flourish underneath.

our successes in 2005/06

We underlined the importance of fiscal discipline and stability. The task for 2006/07 is to further improve performance from 2005/06 where independent inspectors found we:

- Are a two-star authority that is improving well.
- Made improvements in our priority services:
 - ✓ A star for our services for children and adults which also showed promising prospects for improvement. The inspectors praised everyone's determination, consistent hard work and commitment to improving services.
 - ✓ Our housing repairs and maintenance service achieved a one-star with promising prospect for improvement. This is a huge achievement – the result of a lot of hard work by those providing our housing services.
 - ✓ Our education service performs best of all England's major cities. Our children continue to make excellent progress. In 2005 numbers of pupils gaining five or more top GCSE grades was 57%.
 - ✓ Our benefits service maintained its excellent four out of four rating under tougher assessment rules.
- Work well with partners to significantly reduce crime and to regenerate the local economy.

Other Achievements in 2005/06 include:

- Securing robust financial discipline to keep spending to plan.
- Reducing robberies by 8% (April to December 2005), putting us on target to achieve the targets we have agreed with Government for 2008.
- Helping local people claim more than £12 million in unclaimed benefits.

key points

The 2006/07 budget is based upon the priorities laid out in the Council Plan 2006. These are: further significant investment in children's and adult services; working to make the city cleaner, greener and safer; major capital investment and better use of our assets to provide quality services.

The key points are:

- Our major investment programme of £840 million over three years will continue, meaning improvements for schools, roads, housing, leisure facilities and regeneration.
- £27 million of new money, on top of inflation, for investment in services for children and vulnerable adults. Last year, investment led to the award of a star for our social care services and we aim to build on this.
- £4 million of this money will allow us to further improve our childcare teams. We will also support the continued improvement in results for our school pupils, as we increase school funding in real terms.
- We will help people to live safely in vibrant local communities. We aim to reduce delays for older people being discharged from hospital and further improve community based care.
- An extra £5 million in the budget will be set aside to make the city a cleaner, greener and safer place. This will include new recycling initiatives, further investment in our refuse collection, street cleansing and highways maintenance. We will continue to tackle crime at both a city-wide and local level.
- Our Districts will continue to shape their services to reflect community needs. We will work with local groups to improve services and invest in improved leisure facilities such as parks and libraries. We will make building repairs a priority.
- £400,000 has been provided for an Olympic Task Force to gain the most for Birmingham from the 2012 Olympics. We will work to increase sporting opportunities for young people in our city – to raise their levels of performance and self esteem.

key points

- With our partners we will develop a long-term vision for the growth of the city and promote new developments that bring jobs, such as in Eastside. Similarly, transport links will be strengthened through the regeneration of the New Street Station Gateway. The Council will focus on the regeneration of the south west, north west and east of the city. We will pay particular attention to the quality of new development and the speed with which we determine planning applications.
- An extra £1 million will be spent addressing the needs of homeless people. More money is also available for emergency planning.
- We remain committed to achieving the Decent Homes Standard for council housing by 2010. Last year we invested £69 million, bringing some 8,800 properties up to the standard. In 2006/07 we will invest £73 million on more than 11,000 properties. Council tenants will benefit from upgraded energy efficient heating, from the installation of double glazing and new front doors and from the introduction of the neighbourhood caretaking service across the city over the next two years. The spending on council housing (including repairs) is funded by rent income from tenants and government grant.
- We will improve our use of council property to reduce costs and achieve modern customer-friendly facilities. We will save £28 million through more efficient services and support. For example, our business transformation programme will improve front line services and create better delivery for our customers.
- Council tax for our own services will rise by 1.9%. The overall level of council tax for Birmingham, when the increases for the independent fire and police authorities are added (over which the Council has no control) is 2.2%.

spending and council tax

	'05/'06 £m	'06/'07 £m
Total spending	2,711.9	2,861.9
Less: income	-1,259.6	-2,003.7
City Council budget requirement	1,452.3	858.2
Less: formula grant	-1,165.4	-563.7
Collection fund surplus (-)/deficit(+)	1.1	0.6
TO BE FINANCED BY COUNCIL TAX	288.0	295.1

HOW SPENDING HAS CHANGED FROM 2005/06	£m
CITY COUNCIL BUDGET REQUIREMENT 2005/06 WAS:	1,452.3
Adjustment for schools grant*	-631.9
Inflation (non schools)	+25.6
Budget pressures and service changes	+40.6
Efficiency savings	-28.4
CITY COUNCIL BUDGET REQUIREMENT 2006/07 IS:	858.2
*schools are now funded by a separate grant	

spending and council tax

	'05/'06	'06/'07	% change
Charge to council taxpayers	£287.976m	£295.053m	+2.46
Divided by the taxbase (Band D property equivalents)	284,101	285,655	+0.55
Council tax for City Council services (Band D)	£1,013.64	£1,032.90	+1.90
Fire & Rescue Authority precept	£41.21	£43.18	+4.78
Police Authority precept	£83.68	£87.55	+4.62
Gives a total council tax (Band D)	£1,138.53	£1,163.63	+2.20

New Frankley in Birmingham Parish Council is levying a precept for 2006/07. Its charge will be made only to council taxpayers in the parish and amounts to £65,164, equivalent to £31.68 per property in Band D.

ENVIRONMENT AGENCY

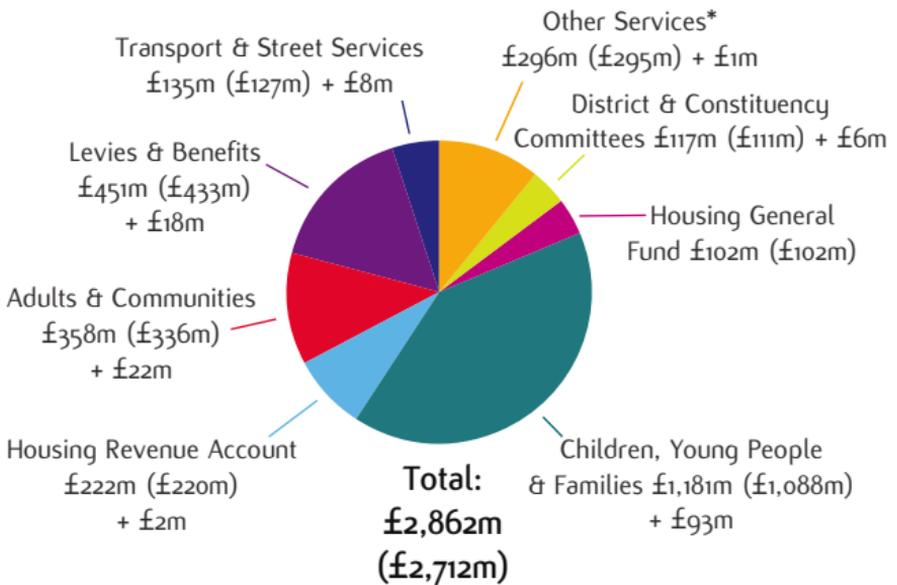
DETAILS OF THE MIDLANDS REGION FLOOD DEFENCE COMMITTEE'S FINANCES:

	2005/06	2006/07
Gross spending (£'000)	49,022	59,482
Net spending (£'000)	2,890	3,225
Levies required (£'000)	2,890	3,025
Council Tax base (Band D equivalent properties)	2,770,463	2,838,105
Levy required from Birmingham (£'000)	296	304
CHANGES IN LEVIES REQUIREMENTS DUE TO:		
	2005/06 TO 2006/07	£'000
Inflation (inc. economies and efficiency savings)		+1,225
Changes in quality/quantity of service		+9,235
Funding capital from revenue		0
Differences in income received or expected by way of grants, fees, charges and contributions		-10,125
Changes in net expenditure		+335
Transfers from balances		-200
Changes in levy requirements		+135

revenue expenditure

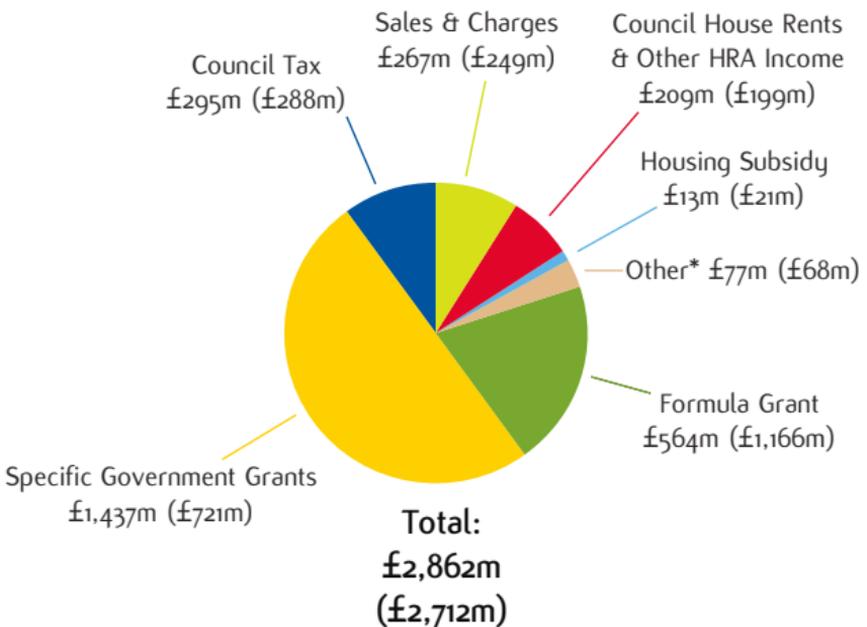
Revenue expenditure involves spending on the day-to-day running costs of the council, e.g. employees, premises, supplies and services.

Where the money is spent – 2006/07 (2005/06 figures in brackets)



*Other Services includes: central departments/budgets £98m (£103m); Regeneration £79m (£76m); Leisure, Sport & Culture £54m (£56m); Local Services & Community Safety £35m (£30m); Regulatory Committees £30m (£30m)

Where the money comes from – 2006/07 (2005/06 figures in brackets)



*Other Rents £55m (£50m); Other Grants & Contributions £22m (£18m)