

Budget and Council Objectives

Transforming the council - how savings have been made

Since 2006 Birmingham City Council has made some major changes to the way it operates in order to make massive savings. Millions have already been saved through cutting management and back office costs and re-designing services to improve them and make them more efficient. Financial systems, procurement, people management, the use of property and customer services have all been transformed. The amount of spending which complies with contracts has risen dramatically, the office space occupied by staff has reduced by 25 per cent and the number of customer enquiries resolved on first contact has risen by 30 per cent.

The financial challenge continues

For the 2012/13 financial year the financial challenge is continuing and further new savings of £61.9 million need to be achieved along with previously planned savings of £38.9 million. In order to help decide where changes should be made, the council carried out its biggest ever budget consultation from October 2011 to January 2012 with residents, staff, local businesses and organisations in Birmingham all contributing. Thousands of comments were received and these were taken into account when the council's budget for 2012/13 was approved.

The council's priorities – putting people first

Despite savings having to be made, the council's number one priority is still to provide the essential services that Birmingham people want and need most. The priorities set out in the Council's Business Plan were to :

- Protect vulnerable people (children and adults)
- Create jobs and help local people into work
- Improve local people's job prospects through providing better education and skills
- Make sure that Birmingham continues to be a clean, green and safe city

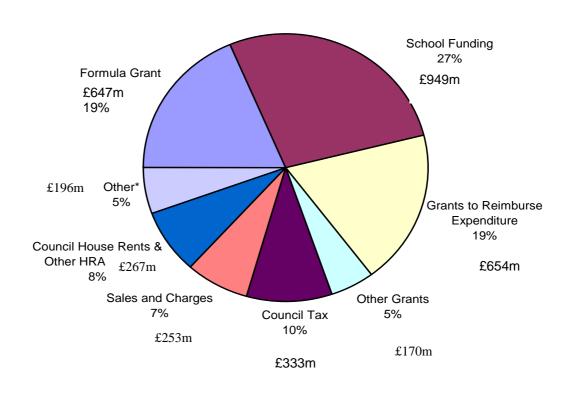
Council tax

In recent years Birmingham City Council has minimised increases in council tax and in 2012 it is once again taking up the additional grant offered by the government so that the council's element of council tax in 2012/13 can stay at the same level as in the previous year. This means that Birmingham will continue to have one of the lowest levels of council tax of all the major cities in England.

For more information on key proposals please see the Birmingham City Council Business Plan 2012+ to be found at www.birmingham.gov.uk/budget.

Revenue Expenditure

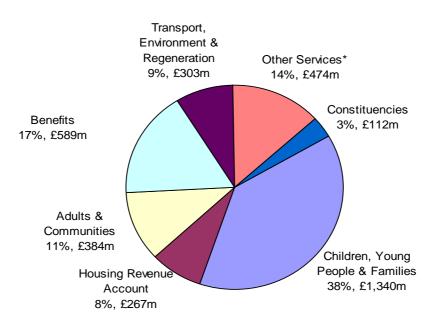
Revenue expenditure involves spending on the day to day running costs of the Council e.g employees, premises, supplies and services.



Where the money comes from 2012/13

*Other includes: Rents £41m; Reimbursements & Contributions £42m; Use of corporate reserves £19m; N.B NHS funding reimbursment for Social Care (£15m); Corporate Grants £8m; Technical Accounting adjustment £100m

Revenue Expenditure (Continued)



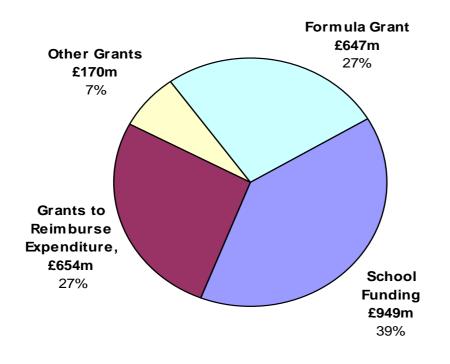
Where the money is spent 2012/13

* Other Services includes : Leader's £49m; Deputy Leaders £125m; Equalities & Human resources £15m; Finance (Excluding Benefits) £134m; Housing General Fund £64m; Leisure Sport & Culture £51m; Local Services £10m; Council Business Management £10m; Regulatory Committees £31m;

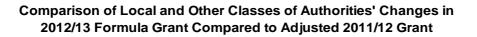
Contingencies £20m; Contribution to balances and reserves £3m; Capital Accounting and Financing Costs (£38m)

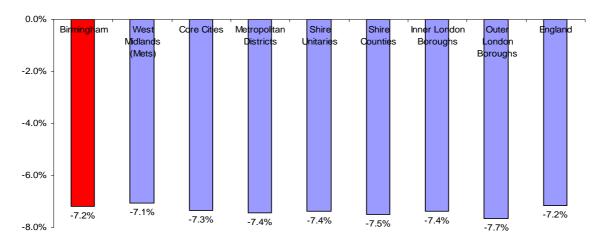
Government Grants

Birmingham receives a significant amount of it's funding from government grants. The government guarantees minimum levels of funding will be provided for education and funds this through specific school grants. The government also provides a large proportion of grants to reimburse the Councils expenditure on specific items such as housing and council tax benefit. Formula Grant (based on a calculation of the Council's needs and resources) can be spent on any services as decided by the Council (except council housing). Other grant funding streams allow the Council to spend in accordance with its priorities.



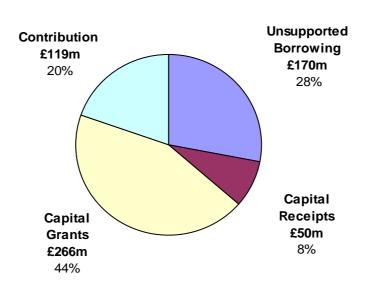
Grant Funding - 2012/13





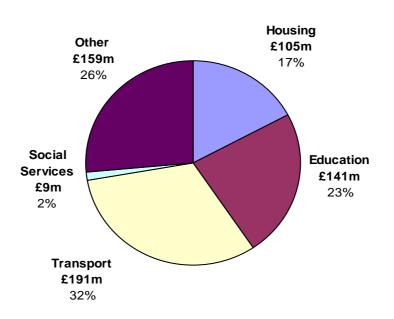
Capital Expenditure

Capital Expenditure relates to expenditure of a long-term nature (paid for over more than 1 year), where assets are purchased, constructed or improved by the authority e.g land and buildings.



Where the money comes from 2012/13

Where the money is spent 2012/13

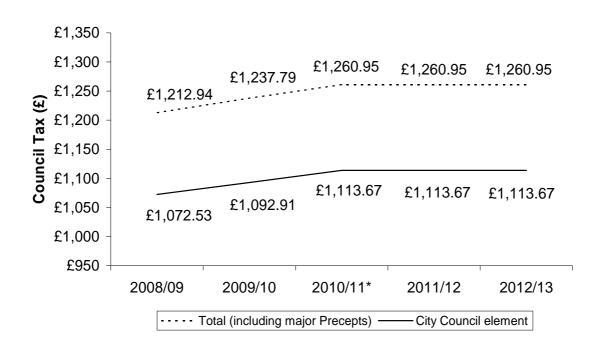


Council Tax

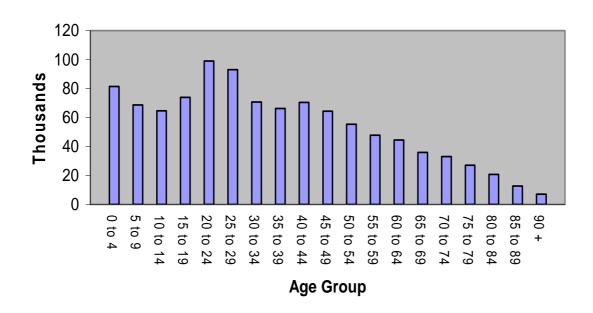
The table below shows the components of total Council tax for each band A-H for 2012/13, split by the City Council, Police and Fire & Rescue elements.

BAND	City	Fire & Rescue	Police	Total
	Council	Authority	Authority	
	£	£	£	£
А	742.45	31.89	66.30	840.64
В	866.19	37.20	77.35	980.74
С	989.93	42.52	88.40	1,120.85
D	1,113.67	47.83	99.45	1,260.95
E	1,361.15	58.46	121.54	1,541.15
F	1,608.63	69.09	143.64	1,821.36
G	1,856.11	79.72	165.74	2,101.57
Н	2,227.34	95.66	198.89	2,521.89

Changes in Band D Council Tax over the last 5 years

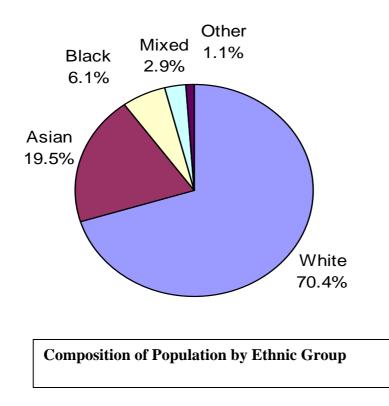


Population



2010 Birmingham population by 5-year age groups

Source of data: ONS population mid-year estimates 2010



Other Key Facts 2012/13

The statistics below give an overview of the type and scale of services provided by the City Council in 2012/13

- 153,273 pupils taught in schools
- 13,087,574 school meals prepared by the in-house provider
- 64,291 Council houses maintained by the Council
- 5,500,000 visits to leisure facilities
- 3,800,000 visits to libraries
- 970,000 museum and art gallery attendances
- 3,556 hectares of parks maintained
- 410,000 tonnes of domestic waste collected
- 60,000 tonnes of trade waste collected
- 100,000 collections of bulky household waste
- 35,000 tonnes of recyclable paper waste collected