

Report to:	CABINET COMMITTEE - ACHIEVING EXCELLENCE WITH COMMUNITIES (AEWC)
Report of:	Elaine Elkington, Strategic Director of Housing and Constituencies
Date of Decision:	26th July, 2010
SUBJECT:	CONSULTATION ON FUTURE SHAPE OF LOCALISATION
Key Decision: No	Relevant Forward Plan Ref:
If not in the Forward Plan: (please "tick" box)	Complied with Rule 15 <input type="checkbox"/> Complied with Rule 16 <input type="checkbox"/>
Type of decision:	N/A
Relevant Cabinet Member:	Councillor Ayoub Khan, Cabinet Member, Local Services & Community Safety
Relevant O&S Chairman:	Councillor Alistair Dow, Chairman Co-ordinating Overview & Scrutiny Committee & Councillor James Hutchings, Chairman Local Services & Community Safety Overview & Scrutiny Committee.
Wards affected:	All

1. Purpose of report:

This report updates on proposals to consult on the future shape of localisation, including:

- (a) Local service delegations held by Constituency Committees and corresponding service delivery responsibilities held by Constituency Teams;
- (b) Locality structures for governance including decision making, local influence and engagement;
- (c) How emerging national policies around "localism" and "big society" can offer a timely opportunity for Birmingham to refocus its own localisation policy and practice.

The report also updates on the intention to overview value for money, financial capacity and localised service delivery.

2. Decision(s) recommended:

1. Note the Executive's intention to consult on the future shape of localisation; including local service delegations held by Constituency Committees, current and potential structures for local governance and the emerging national agenda around *Big Society* and *Localism*. (see appendix 1).
2. Note the Executive's intention to review value for money, financial capacity and service assessment of localised services. (see appendix 2).
3. Note the intention of Local Services & Community Safety O&S Committee to review localisation including the consultation proposals set out in this paper.
4. Note the intention to bring a report back to Cabinet Committee - AEWC in November 2010 with a summary of responses received and proposals to take forward to Full Council in December 2010.

Lead Contact Officer(s):	Ifor Jones
Telephone No:	Director of Constituency Services 303 4595
E-mail address:	Ifor_Jones@birmingham.gov.uk

3. Compliance Issues: (Must not exceed page 2)

3.1 Are decision(s) consistent with the Council's Policies, Plans and Strategies focused on "Global City with a Local Heart"?

The consultation exercise will proceed using the approved corporate guidance on the conduct of the consultation. The consultation exercise seeks views on the Council's current policy and constituted structure for localisation agreed at Full Council.

3.2 Have relevant Ward and other Members / Officers been properly and meaningfully consulted on this report?

The issues underpinning the intent to consult on localisation policy and delivery arrangements and the proposal to consult on these have been subject to prior consultation with Executive Members and relevant Chief Officers. Ward Members, Constituency Chairs, Scrutiny, Regulatory and Executive Members will be invited to respond to the consultation set out in appendix one.

3.3 Are there any relevant legal powers, personnel, equalities, procurement, regeneration and other relevant implications?

The areas under consultation could lead to variations to the City Council's governance arrangements and scheme of delegations affecting Constituency Committee delegations. The current localisation arrangements were developed against the framework of policies included in the Local Government Act 2000. A change to management arrangements linked to the removal of Constituency Committee delegations will require formal consultation with staff and Trade Unions if a formal decision is taken and a change of policy would require an Equality Needs Impact Assessment (EINA).

3.4 How will decision(s) be carried out within existing finances and resources?

The proposals to consult are contained within allotted revenue budgets.

3.5 Have the main Risk Management and Equality Impact Assessment Issues been considered or concluded and, if yes, what are they and how will they be carried forward to deliver the Council's objectives?

An EINA will be completed if formal decisions to proceed are made leading to variance of the current model. The Corporate Risk Register has a risk identified in relation to the Council's localisation policy and this will be updated appropriately throughout 2010/11.

3.6 How will this report help to inform, further improve or otherwise, help to deliver the Council's BEST initiative?

Staff will be engaged in the broader consultation as well as more formally if a decision to proceed with any aspect being consulted on. Constituency and other relevant BEST teams will be invited to engage in the consultation.

4. Relevant background/chronology of key events:

The City Council agreed the policy and project plan for localisation in March 2003. These were implemented in April 2004 and have been operational for over six years since then.

Coordinating O & S Committee conducted an extensive review of devolution in 2005/6 and Full Council agreed the Executive's Action Plan (EAP) drawn up against its recommendations in October 2006. Following this a number of policy areas have been agreed through Cabinet Committee—Achieving Excellence With Communities (AEWC). In 2005 the Audit Commission, through District Audit, reviewed whether the Council's devolution policy and project plan had been implemented properly and this was followed up with a second review in 2007 to evaluate whether the system of devolved governance was delivering better outcomes for Birmingham's citizens and whether performance management arrangements were fit for purpose. In 2009 Constituencies were formally integrated alongside Housing and Community Safety in a new Directorate – Housing and Constituencies.

There are a number of financial, service-based and policy issues and challenges that require urgent attention across the whole spectrum of the City Council's activities, including its localisation policy.

In general terms these include:

- the significant challenge the City Council will face following the Government's Emergency Budget in June 2010;
- the implications of a raft of policies impacting on local authority roles and responsibilities such as the Government's new policies around *Localism* and *Big Society*;

In specific terms these include:

- greater financial challenge faced by Constituency Committees and Constituency Teams managing their revenue budgets, including overspends from previous years and with the further significant efficiency requirements placed on local authorities from 2011 onwards and a consequent share cascading down to Constituencies;
- Greater imperative for city-wide coordination and control on budgets and service delivery arrangements for those Constituency services impacted on by service modernisation proposals in Sport and Leisure, through the proposed trust arrangements and Neighbourhood Offices, through Customer First;
- End of Working Neighbourhoods Fund from April 2011 that is currently accessed and delivered by Constituencies and putting in place arrangements to keep Ward Community Chest at its current levels.

The Executive is seeking to consult on views of Members and other stakeholders over the next three months as well as undertaking a high-level review of value for money, financial capacity of Constituencies and service delivery arrangements. At this juncture the Executive has not formed a view on the future strategy and preferred approach.

Local Services and Community Safety O& S Committee intend to undertake an overview of localisation during this timeframe and it is hoped that such a review should add value to the Executive's consultation response.

5. Evaluation of alternative option(s):

- 5.1 Many alternatives have been considered over the last three years but none have been capable of delivering against policy objectives and of delivering savings.

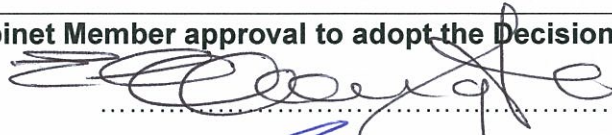
5.2 Consult on potential alternative approaches as set out in the Consultation paper, with the proviso of achieving the required savings, including the £3m overspend, 2010/11 efficiency requirement of £1.5m as required by the Council budget.

6. Reasons for Decision(s):


To ensure the proposals for consultations have been fully aired in light of the Executives' wish for full engagement.

Signatures (or relevant Cabinet Member approval to adopt the Decisions recommended):

Chief Officer(s):



Cabinet Member:



Dated:

21st July 2010

List of Background Documents used to compile this Report:

1. Coordinating and Overview Scrutiny Report - 2006
2. Executive Action Plan - 2006
3. All Cabinet Committee (Devolution / AEW) reports

List of Appendices accompanying this Report (if any):

1. Consultation Proposals
2. Review of Financial Management, Value for Money, Service Delivery and Financial Management