

Birmingham City Council.

Report to Corporate and Finance Overview and Scrutiny Committee

28 June 2024



Title:	CORPORATE AND FINANCE OVERVIEW AND SCRUTINY COMMITTEE TERMS OF REFERENCE AND WORK PROGRAMME
Lead Cabinet Portfolio:	Not Applicable
Relevant Overview and Scrutiny Committee:	Not Applicable
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Authorised by:	Christian Scade, Head of Scrutiny and Committee Services Legal and Governance
Is this a Key Decision?	Not Applicable
If this is a Key Decision, is this decision listed on the Forward Plan?	Not Applicable
Reason(s) why not included on the Forward Plan:	Not Applicable
Is this a Late Report?	No
Reason(s) why Late:	Not Applicable
Is this decision eligible for 'call in?'	Not Applicable
If not eligible, please provide reason(s):	Not Applicable

Has this decision been included on the Notification of Intention to consider Matters in Private? Not Applicable

Reasons why not included on the Notification: Not Applicable

1 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update members on the development of the 7 Overview and Scrutiny Committee work programmes and enable the Corporate and Finance Overview and Scrutiny Committee to agree key issues to be considered by the Committee during 2024/25 and the scrutiny methods that will be used to undertake this work.
- 1.2 A key aspect of the work of all Overview and Scrutiny Committee's will be the continued focus on the delivery of savings agreed in the 24/25 Council budget and the relevant programmes within the Council's Improvement and Recovery Plan where the Committee can add value.

2 COMMISSIONERS' REVIEW

- 2.1 Scrutiny of Finance is a very important element of the financial control environment of any organisation. The work programme is a key element with many areas of required scrutiny being self-selecting. Commissioners would like to see a clear work programme which sets out the items that will be considered at each meeting. The key areas of scrutiny we would expect are;
- 2.2 Budget setting, financial monitoring and outturn. In addition, we would expect that Scrutiny will focus on the more significant financial issues such as Oracle and Equal Pay.
- 2.3 In terms of budget setting there are many elements including savings, pressures and assumptions. Budget scrutiny can be undertaken in various ways and we would like to see a detailed plan as to how this will be completed including any role for the service scrutiny committees. This is an area of Scrutiny which has not worked effectively historically with previous budgets being based on unrealistic assumptions.
- 2.4 It would be useful to review the proposed work programme and approach to budget Scrutiny by the end of July.

3 RECOMMENDATIONS

That the Committee:

- 3.1 Notes the Committees Terms of Reference as set out in Section 4.4
- 3.2 Notes the development of the Scrutiny Committee work programmes as set out in 4.6 – 4.12
- 3.3 Agrees the issues to be considered at a July Task and Finish Group meeting or subsequent meetings on the impact and implications of savings as set out in paragraphs 4.17 – 4.21.
- 3.4 Agrees the work programme outlined in Appendix A

- 3.5 Notes the continued work of the Task and Finish Group outlined in Section 4.12 that will enable members to have the information to further develop the work programme during 2024/25.

4 KEY INFORMATION

Context

- 4.1 The Statutory Guidance for Overview and Scrutiny Committees [Overview and scrutiny: statutory guidance for councils, combined authorities and combined county authorities - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/121212/Overview_and_scrutiny_statutory_guidance_for_councils_combined_authorities_and_combined_county_authorities_-_GOV.UK_(www.gov.uk).pdf) was updated in April 2024 and re-affirms the role of overview and scrutiny in holding an authority's decision-makers to account remains fundamentally important to the functioning of local democracy.

- 4.2 Effective Overview and Scrutiny should:

- provide constructive 'critical friend' challenge
- amplify the voices and concerns of the public
- be led by independent people who take responsibility for their role
- drive improvement in public services and strategic decision-making

- 4.3 The Council's Constitution Part B 11 sets out the procedures and functions of Overview and Scrutiny Committees:

[Constitution Part B roles functions and rules of procedure June 2024 A F \(1\).pdf](#)

- 4.4 The terms of reference for the Corporate and Finance Overview and Scrutiny Committee are:

To plan and co-ordinate the work of all the Overview & Scrutiny Committees. To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning governance, finance, corporate and legal services, human resources, transformation and efficiency, contract management policy and procurement management, early intervention and prevention, risk, customer services, relationship with stakeholders and WMCA, support to Mayor, member development, use of data, refugees and City of Sanctuary, emergency planning. This includes:

- Council Business Plan and Medium-Term Financial Plan/Budget
- Support to the Lord Mayor and other holders of civic office
- Communications, internal and external stakeholder engagement
- Council's strategic approach to the use of financial resources and budget
- Public policy development at local to international levels
- Representation of the Council on WMCA Board
- Relationships with stakeholders

- Levelling-up, devolution and WMCA
- Cost-of-living
- Oversight of Council's IT strategy, information and governance & GDPR
- Open data
- Data protection, cyber security, digital inclusion
- Customer services
- Overall financial direction within the Financial Strategy developed by the Leader, including Best Value and appropriate financial, accounting and audit controls and procedures.
- Business Charter for Social Responsibility
- Commercial opportunities available to the Council
- Revenues and Benefits service
- Procurement management
- Contract management policy.
- Management of all internal trading operations
- Commissioning approach that supports the Council's wider social objectives
- Oversight of consultants and interims
- Emergency planning
- Refugees, modern slavery and trafficking, City of Sanctuary
- Structure and governance of the Council.
- Efficiency and improvement of Council services
- Human Resources: An effective organisational development function for shaping the future workforce of the Council Development of effective change/transformational programmes deployed corporately Member development programmes Processes and procedures to support good staff performance development and equality objectives Staffing structures at JNC level and personnel procedures that comply with good practice and natural justice.
- Member-Officer protocol
- Business change programmes
- Development and implementation of early intervention and prevention service
- Good governance on outside bodies, Council-owned companies and externalised services
- Risk management, internal audit
- External scrutiny of the Council and Local Government Ombudsman
- Whistleblowing and complaints
- Legal services
- Improvement and Recovery Plan (IRP) oversight and delivery

These also functions include:

- Giving such guidance to the Overview and Scrutiny Committees in any cases of uncertainty as to work which they should or should not be

undertaking, as may be necessary to achieve such co-ordination, including the allocation of “call-in” to the appropriate Committee

- Determining, in any cases of uncertainty, the allocation of responsibility for specific tasks between the Overview and Scrutiny Committees
- Ensuring (by means, for example, of issuing appropriate guidance and/or instructions) that the Overview & Scrutiny Committees pay proper attention in their work to the consideration of key cross cutting issues, in particular equalities, transparency and improvement
- Overseeing the development and delivery of a balanced work programme of Scrutiny Committees using a range of scrutiny methodologies and reporting regularly to City Council
- Considering Overview & Scrutiny development, working practices and constitutional arrangements.

4.5 The work programme of all Overview and Scrutiny Committees will align to the priorities within the Council’s Improvement and Recovery Plan.

Development of the 2024/25 Overview and Scrutiny Committee Work Programme

4.6 The Council’s Improvement and Recovery Plan was approved at City Council on 4 April 2024 [BCC Improvement and Recovery Plan \(IRP\) \(cmis.uk.com\)](https://cmis.uk.com) which sets out the role of the Overview and Scrutiny Committees to consider key programmes and projects in the IRP, provide assurance to members and citizens on progress, consider unplanned consequences and negative impacts of the changes the Council is making.

4.7 The IRP Governance Principles sets out that members are integrated into the model and have clear oversight via forums including Overview and Scrutiny. The IRP also highlights that scrutiny and decision making is timely and informed and there is proactive management of risks, actions, issues and dependencies. The reporting process shows that formal reporting will take place to Cabinet, Audit and O&S Committees after the Improvement and Recovery Board.

4.8 During February and March 2024, the Centre for Governance and Scrutiny held workshops with members of Co-ordinating Overview and Scrutiny Committee (OSC) and met with officers. The aim of this work was to develop a Scrutiny Blueprint setting out the principles and key objectives for the coming year to enable a more focussed and targeted approach to improvement at the authority.

4.9 While Commissioners agreed with the overall direction of this work, it was considered that more work was needed across the organisations in order to ensure it is deliverable. In response to this it was agreed by the former Co-ordinating OSC that work would progress on how information held by the Council is shared with members to inform the development of Scrutiny Committee work programmes going forward. Further information on this is provided in paragraph 4.12 below.

- 4.10 Following engagement on the principles of the Blueprint with, amongst others, the Commissioners' Governance Board, Informal Cabinet and the Corporate Leadership Team, it is proposed that some of these principles will be piloted, and an initial action plan will be developed for consideration by Corporate and Finance OSC. As part of this, consideration will be given to member learning and development needs and how scrutiny can improve its working relationship with Audit Committee. It is anticipated that the piloting of the new approach to Scrutiny will be a transition period until May 2025.
- 4.11 The work that will be undertaken by the 7 Overview and Scrutiny Committees during June and July 2024 includes:
- All O&S Committees will hold public committee meetings in June. The work programme report for this meeting will include the high level summary on the 24/25 savings and members will decide the savings they want to consider at Task and Finish meetings during July to focus on the impact of the savings on communities and individuals
 - Corporate and Finance OSC to hold a public Committee meeting to consider the delivery of 24/25 savings
 - Pre-decision scrutiny of asset sales
 - Scrutiny of integration of Greater Birmingham and Solihull Local Enterprise functions into Birmingham City Council
 - Visit to City of Birmingham School
 - Continued work on the inquiries on Active Travel, Road Safety and Improving Standards of Re-let Properties
- 4.12 The development of the O&S Committee work programme during the rest of the municipal year will also be informed by the work of the Information Task and Finish Group established by Co-ordinating OSC that will continue into 2024/25.

Corporate and Finance Overview and Scrutiny Committee Work Programme 2024/25

- 4.13 The work programme for 2024/25 will develop during the year and a Task and Finish Group has been established that will consider what information members will need to identify further issues.
- 4.14 An initial outline work programme is attached as Appendix A that includes:
- Programmes from the Council's Improvement and Recovery Plan within the Committee's terms of reference
 - Continued work of the Information Task and Finish Group as agreed by Co-ordinating OSC in May 2024
 - Scrutiny of the implications of savings agreed in the Council's budget including equality and equity issues arising from the budget as set out in Paragraph 4.18 below.

- Safe and effective delivery of key services supporting vulnerable people
 - Monitoring recommendations from previous Scrutiny Inquiries and Task and Finish Group work
 - Critical performance issues emerging by exception (this will be defined through work with the Centre for Governance and Scrutiny)
- 4.15 The Centre for Governance and Scrutiny is providing support to the Council which includes developing a framework which will enable the work of Overview and Scrutiny Committee's to add value to the Council's improvement journey.
- 4.16 When considering the issues to be included in the work programme members are also asked to agree the Scrutiny method that will be used. This can include:
- **Committee meeting single item**, or items, on a public committee agenda: this fits more closely the "overview" aspect of the Scrutiny function and has limited opportunity for effective scrutiny.
 - **Committee meeting single theme** at a public committee meeting: This has the capacity to enhance the previous option by taking evidence from a number of witnesses.
 - **Task and Finish Group in day**: provided that these are properly focused, they ensure Councillors can swiftly reach conclusions and make recommendations and are effective even for complex topics. The work of a Task and Finish Group will be agreed by the relevant Overview and Scrutiny Committee. The Task and Finish Group meeting is not public. The outcome of the Task and Finish Group will be reported to a public committee meeting.
 - **Multiple Task and Finish Group meetings**: to consider an issue in depth over four or six meetings spread over a limited number of months.
 - **Site Visit**: Members visit services or organisations to inform the work of the Committee.
 - **Inquiry Evidence Gathering**: Evidence for Scrutiny Inquiries may take place at public committee meetings, Task and Finish Groups or Site Visits
 - **Briefings**: for members to be updated on specific issues.

Scrutiny of the Impact of Savings

- 4.17 The recommendation from the Budget Scrutiny Task and Finish Group that "each OSC receives a report following the approval of the Budget and MTFP on the implications of the budget and savings on the services within their terms of reference" was accepted by the Executive agreed at City Council on 5 March 2024. The Council's Improvement and Recovery Plan (IRP) Governance Principles sets out that members have clear oversight via forums including Overview and Scrutiny and that Scrutiny and decision making is timely and informed and there is proactive management of risks, actions, issues, and dependencies.

4.18 There 39 savings within the terms of reference for Corporate and Finance OSC, some of which are focussed on internal council services and efficiencies. Based on the work previously undertaken through the Budget Scrutiny Task and Finish Group (November 2023 – January 2024) and the Savings Delivery Task and Finish Group (April 2024) and through discussion with the Committee Chair it is recommended that the Committee considers the following issues at a Task and Finish Group meeting in July to focus on the impact of savings on residents and communities:

- The combined impact of savings on vulnerable groups and those with protected characteristics, (Cross Cutting Recommendation from Budget Scrutiny Task and Finish Group)
- Saving 10: That when increasing tax collection the service continues to develop the holistic and preventative approach to collect outstanding council tax and business rates ensuring staff are able to sign post residents and businesses to other sources of support. (Recommendation from Finance and Resources OSC Savings Delivery Task and Finish Group)
- Saving 4: That within the new enforcement staff team recruited to undertake the enforcement work that resource is dedicated to building relationships and communication with the Business Improvement Districts and that this work is linked with other services across the Council that also work with the BIDs. (Recommendation from Finance and Resources OSC Savings Delivery Task and Finish Group)
- Saving 3 Review Benefits Advice Team: That the Council continues to seek alternative funding to provide non-statutory benefits advice.

That while the non-statutory Benefits Advice Team does not function that services across the Council work collaboratively to provide early help and intervention advice including benefits advice. These include the Neighbourhood Advice and Information Service and work delivered through the Cost of Living Crisis programme.

That Council communications includes information to signpost residents to places where advice of benefits is available. (Recommendations from Finance and Resources OSC Savings Delivery Task and Finish Group)

- Saving 9 New Homes Bonus: That there is a joined up approach across Council services to maximising the opportunities from bringing empty homes back into use e.g. working with the temporary accommodation to use properties to address the shortage of long term accommodation in the City. (Recommendation from Finance and Resources OSC Savings Delivery Task and Finish Group)
- Saving 221: More efficient use of BCC Operational Estate – Resident Facing Assets

- Savings 217: Customer Contact consolidation
- Savings 6: Cease Local Welfare Provision Scheme
- Saving 103: Voice Automation within Contact Centre Services (Recommendation from Budget Scrutiny Task and Finish Group)

- 4.19 Cabinet Members and senior directorate officers will attend the July Task and Finish Group meeting.
- 4.20 The Corporate and Finance Overview and Scrutiny Committee will receive a report in July 2024 on the financial delivery of savings.
- 4.21 Recommendations and issues from the Savings Implications Task and Finish Group will be reported to the Corporate and Finance Overview and Scrutiny Committee in September 2024.
- 4.22 The Council’s latest Forward Plan: [June 2024 Forward Plan \(cmis.uk.com\)](https://cmis.uk.com) assist Members in identifying future topics. The following reports are of particular relevance to this Overview and Scrutiny Committee:

ID Number	Title	Proposed Date of Decision
012798/2024	Q4 Corporate Performance and Delivery report against the Corporate Plan (cmis.uk.com)	25/06/24
012776/2024	Grant Funding from Government - Standing Item	25/06/24
012935/2024	Key Decision Planned Procurement Activities (July 2024 – September 2024) and Quarterly Contract Award Schedule (January 2024 – March 2024)	25/06/24
012002/2023	Resources for Birmingham City Council Priorities - Standing Item	25/06/24
012822/2024	Provisional Financial Outturn	23/07/24

5 RISK MANAGEMENT

- 5.1 The Council’s Governance and Stabilisation Plan identified the need to strengthen the working relationships between the Chairs of Overview and Scrutiny Committees and the Chair of the Audit Committee to lead and direct the function. This will include the development of a Memorandum of Understanding that will include the respective roles of Overview and Scrutiny Committees and Audit in relation to the Council’s management of risk.

6 IMPACT AND IMPLICATIONS

Finance

- 6.1 There are no immediate financial implications from this report as the Committee has been asked to review the implications and impact of the budget savings on the services within the terms of reference, not to challenge or change the financial delivery of the savings themselves. An update report on the performance of the council in delivering the financial savings will instead be taken to the Corporate and Finance Overview and Scrutiny Committee in July 2024.

Legal

- 6.2 There are no legal implications arising from the recommendations in the report.

Equalities

- 6.3 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.4 The protected characteristics and groups outlined in the Equality Act are: Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion and Belief; Sex, and Sexual Orientation.
- 6.5 The Committee should ensure that it addresses these duties by considering them during work programme development, the scoping of work, evidence gathering and making recommendations. This should include considering: How policy issues impact on different groups within the community, particularly those that share a relevant protected characteristic; Whether the impact on particular groups is fair and proportionate; Whether there is equality of access to services and fair representation of all groups within Birmingham; Whether any positive opportunities to advance equality of opportunity and/or good relations between people are being realised.
- 6.6 The Committee should ensure that equalities comments, and any recommendations, are based on evidence. This should include demographic and service level data and evidence of residents/service-users views gathered through consultation.

People Services

- 6.7 There are no staffing implications resulting from the recommendations in this report.

Climate Change, Nature and Net Zero

- 6.8 Overview and Scrutiny Committee's will consider the climate change, nature and Net Zero issues relevant to the work programme items.

Corporate Parenting

- 6.9 Overview and Scrutiny Committee's will consider the corporate parenting responsibilities and opportunities relevant to the work programme.

7 APPENDICES

- 7.1 Appendix A: Corporate and Finance OSC Work Programme June 24
- 7.2 Appendix B: Summary of Savings within the Corporate and Finance Overview and Scrutiny Committee Terms of Reference

8 BACKGROUND PAPERS

- 8.1 Governance Review of Birmingham City Council by Centre for Governance and Scrutiny: Cabinet 12 December 2023 [CMIS > Meetings](#)
- 8.2 Improvement and Recovery Plan: Cabinet 4 April 2024: [CMIS > Meetings](#)