

BIRMINGHAM CITY COUNCIL

RESOURCES O&S COMMITTEE – PUBLIC MEETING

1400 hours on Thursday 19 December 2019, Committee Room 6

Present:

Councillor Sir Albert Bore (Chair)

Councillors: David Barrie, Paul Tilsley and Lisa Trickett

Also Present:

Councillor Tristan Chatfield, Cabinet Member for Finance and Resources

Becky Hellard, Interim Chief Finance Officer

Joanne Knight, Assistant Director, Service Finance

Guy Olivant, Major Developments Lead, Finance and Governance Directorate

Jayne Bowles, Scrutiny Officer

Emma Williamson, Head of Scrutiny

1. NOTICE OF RECORDING/WEBCAST

The Chairman advised the meeting to note that this meeting will be webcast for live and subsequent broadcast via the Council's Internet site (www.civico.net/birmingham) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2. APOLOGIES

Apologies were received from Councillors Muhammad Afzal, Meirion Jenkins and Yvonne Mosquito.

3. DECLARATIONS OF INTERESTS

None.

4. ACTION NOTES – 14 NOVEMBER 2019

(See document 1)

RESOLVED:-

- The action notes of the 14 November 2019 meeting were agreed.

5. UPDATE ON FUNDING OF THE COMMONWEALTH GAMES

(See document 2)

Guy Olivant, Major Developments Lead, introduced the report and advised Members that there were two key exclusions:

- The position with regard to the Athletes Village is not included in any detail due to current commercial negotiations with tier 1 contractors;
- The paper does not look at the Aquatics Centre in terms of Sandwell's activity, spending and funding of their share of the costs.

In the course of the discussion and in response to Members' questions, the following were among the main points raised:

- The overall budget of £778m is still being forecast as being on target and the BCC contribution will be as set out in the budget approved in February;
- The key risks had been discussed recently at Audit Committee;
- Members would welcome a report back on the Athletes Village in due course
- With regard to the amber-red risk attached to the funding gap, contributions are yet to be secured from the Midlands Engine and the university sector; this is being pursued and neither have said they are not going to contribute;
- It was pointed out that there appeared to be a discrepancy between the figures in this report and a recent report to Sandwell Cabinet in relation to the Aquatics Centre, with this report referring to a BCC contribution of £31.3m and Sandwell reporting a figure of £32.9m;
- Guy told Members that in 2018/19 (in advance of any funding agreement), Sandwell had incurred costs of £1.6m relating to the Aquatics Centre and that had been paid to them by DCMS rather than forming part of the BCC contribution, which explains the discrepancy between the two figures;
- There is an explicit workstream looking at the stadium, flyover, village and making sure integrated transport plans are in place;
- Members queried whether the imminent departure of the Programme Director should be included as a risk;
- Concerns were expressed about the Village and whether there were any plans to increase the level of social and affordable housing;
- Members were told there are two stages – the first is around looking at what is being built and getting the contracts right, with a parallel workstream looking at the best disposal strategy in terms of tenure mix;
- The risk registers are shared with key games partners, including the Games Committee, DCMS and the Games Federation, to ensure shared ownership;
- In response to a question about the impact on the Revenue budget going forward, Members were advised that provision is already being made going into future years with an updated Long Term Financial Plan being brought forward in the new year with this element included.

RESOLVED:-

- The report was noted.

6. FINANCIAL MONITORING 2019/20 – MONTH 7

(See documents 3 and 4)

Councillor Tristan Chatfield, Cabinet Member for Finance and Resources, Becky Hellard, Interim Chief Finance Officer, and Joanne Knight, Assistant Director, Service Finance, attended for this item.

The Chair referred to the summary note of the main issues in the revenue budget monitoring report and stated that this did not preclude other matters being raised.

The following were among the main points raised in the discussion:

- There are some variations since last month but the position is roughly the same;
- The Chair noted that the monthly reports are very well produced, however when comparing the annexes in the revenue report it is clear there are different authors, for example the Education and Skills annex sets out information fully, is detailed and well presented but the Neighbourhoods annex does not give the same wealth of information, therefore some levelling up is needed;
- It was noted that the Travel Assist overspend had gone up again and Members will wait to see what the proposals are for re-basing that budget to reflect the increasing difficulties;
- With regard to the Birmingham Children's Trust forecast overspend, as BCC is the sole shareholder of the Trust any deficit the auditors are not prepared to sign off would come back to us;
- Work is being carried out with the Trust, with further mitigation plans coming forward and the forecast overspend is not now as significant as reported here;
- There is continuing concern with regard to the increased forecast overspend in Housing Services in relation to temporary accommodation and it was noted that this had been picked up before and referred to the Housing and Neighbourhoods O&S Committee;
- In terms of forecasting future demand pressures on services, it was acknowledged that this is critical if we are to move to a 21st century council and that is what the Partnerships, Insight & Prevention Directorate is doing;
- Concern was expressed that it appears the overspend in Fleet & Waste Management is being subsidised by an underspend in Adult Social Care which is largely coming out of Packages of Care savings;
- Members were told that superficially it may look like that but money is not being moved around. Some areas will be overspent and some underspent and any virement has to be approved by Cabinet;
- The introduction of the free conversations model has made a difference in controlling the costs around Packages of Care and there has been an increased level of financial vigour;
- The Star Chamber is looking at non-delivery of savings mitigations, with final mitigations needed by early January for reporting at Month 9;

- The Chair referred to Public Health money being used for other purposes on a one-off basis (for example, on Early Years) and that it would be for the Health O&S Committee to look at that if there is an issue.

RESOLVED:-

- The report was noted.

7. WORK PROGRAMME

(See document 5)

RESOLVED:-

- The work programme was noted.

8. DATE OF NEXT MEETING

Noted.

9. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

None.

10. OTHER URGENT BUSINESS

None.

11. AUTHORITY TO CHAIRMAN AND OFFICERS

RESOLVED:

That in an urgent situation between meetings, the Chairman jointly with the relevant Chief Officer has authority to act on behalf of the Committee.

The meeting ended at 1505 hours.