

BIRMINGHAM CITY COUNCIL

RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

THURSDAY, 22 JULY 2021 AT 14:00 HOURS
IN BMI MAIN HALL, 9 MARGARET STREET, BIRMINGHAM, B3 3BS

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chair to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's meeting You Tube site (www.youtube.com/channel/UCT2kT7ZRPFCXq6_5dnVnYlw) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 APPOINTMENT OF RESOURCES OVERVIEW AND SCRUTINY COMMITTEE CHAIR, DEPUTY CHAIR AND MEMBERS

(i) To note the resolution of the City Council appointing the Committee, Chair, Deputy Chair and Members to serve on the Committee for the period ending with the Annual Meeting of the Council in 2022.

Labour Group (5):-

Councillors Mohammed Aikhlaq (Chair), Barbara Dring, Shafique Shah, Majid Mahmood and Lisa Trickett.

Conservative Group (2):-

Councillors David Barrie and Meirion Jenkins.

Liberal Democrat Group (1):-

Councillor Paul Tilsley.

(ii) To elect a Deputy Chair for the purposes of substitution for the Chair, if absent, for the period ending with the Annual Meeting of the Council in 2022.

4 **DECLARATIONS OF INTERESTS**

Members are reminded that they must declare all relevant pecuniary and non pecuniary interests arising from any business to be discussed at this meeting. If a disclosable pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

1 - 8

5 **RESOURCES OVERVIEW & SCRUTINY COMMITTEE TERMS OF REFERENCE**

To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning finance (including strategic finance, budget setting and financial monitoring); revenues and benefits; treasury management; Council land use and property assets; human resources; contracting, commissioning and commercialisation.

9 - 34

6 **ACTION NOTES**

To confirm the action notes of the meetings held on 8 April 2021 and 1 June 2021 and to note the action notes of the informal meeting held on 24 June 2021.

35 - 42

7 **FINANCIAL MONITORING 2021/22 - QUARTER 1**

Councillor Tristan Chatfield, Cabinet Member for Finance and Resources, and Sara Pitt, Assistant Director, Finance, in attendance.
(1410-1450 hrs)

43 - 52

8 **ERP UPDATE**

Peter Bishop, Director of Digital and Customer Services, and James Couper, ERP Programme Director, in attendance.
(1450-1520 hrs)

53 - 66

9 **NEW WAYS OF WORKING**

Peter Bishop, Director of Digital and Customer Services, and Robin Burton, Programme Manager - New Ways of Working, in attendance.
(1520-1600 hrs)

67 - 80

10 **PLANNED PROCUREMENT ACTIVITIES REPORT**

To consider the Cabinet report (to be considered on 27 July) on planned procurement activity.

81 - 84

11 **WORK PROGRAMME**

For discussion.

12 **DATES OF MEETINGS 2021/2022**

(i) The Chair proposes that meetings be held at 1400 hours on the following Thursday in the Birmingham & Midlands Institute (BMI), Main

Hall:-

2021

22 July
9 September
7 October
4 November
9 December

2022

20 January
10 February
24 March
28 April

(ii) The Committee is requested to approve Thursdays at 1400 hours as a suitable day and time each week for any additional meetings required to consider 'requests for call in' which may be lodged in respect of Executive decisions.

13 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

14 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chair are matters of urgency.

15 **AUTHORITY TO CHAIR AND OFFICERS**

Chair to move:-

'In an urgent situation between meetings, the Chair jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

16 **EXCLUSION OF THE PUBLIC**

That in view of the nature of the business to be transacted which includes exempt information of the category indicated the public be now excluded from the meeting:-

Exempt Paragraph 3

P R I V A T E A G E N D A

17 **PLANNED PROCUREMENT ACTIVITIES REPORT APPENDIX**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

B11. OVERVIEW AND SCRUTINY COMMITTEES

11.1 Principles of Good Scrutiny

- i. Good Overview and Scrutiny adds value to Councils as it:
 - a) Amplifies public voice and concerns;
 - b) Drives improvement in public services;
 - c) Provides constructive “critical friend” challenge;
 - d) Is led by ‘independent minded people’ who take responsibility for their role.

11.2 Role

- i. Overview and Scrutiny Committees will:
 - Make reports and/or recommendations to the full Council, the Executive and / or other organisations in connection with the discharge of the functions specified in their terms of reference;
 - Consider any matter covered in their terms of reference that may affect or be likely to have an effect on the citizens of Birmingham; and
 - is relevant to the Council’s strategic objectives; and/or
 - is relevant to major issues faced by officers in managing a function of the Council; and/or
 - is likely to make a contribution to moving the Council forward and achieving key performance targets.
 - Exercise the “request for call-in” and “call-in” any Cabinet, Cabinet Committee or Cabinet Member decisions made but not yet implemented by the Executive.
 - Overview and Scrutiny Chairs should maintain regular engagement with Cabinet Members to enable flexibility to be built into the Overview and Scrutiny work programme, so as to respond to the Council’s policy priorities in a timely way.

11.3 Functions

- i. *Policy development and review:* Overview and Scrutiny Committees may:
 - Assist the Council and / or the Executive in the development of its budget and policy by appropriate analysis of policy and budget issues;
 - Conduct appropriate research, community and other consultation in the analysis of policy and budget issues and possible options;
 - Consider and implement mechanisms to encourage and enhance community participation in the development of policy options;
 - Question Members of the Executive and/or Chief Officers about their views on issues and proposals affecting their areas of responsibility; and

- Liaise with other external organisations operating in the city, whether national, regional or local, to ensure that the interests of local people are enhanced by collaborative working.

ii. *Scrutiny: Overview and Scrutiny Committees may:*

- Review and scrutinise the Executive decisions made by and performance of the Executive and/or Chief Officers in relation to decisions taken by them or in relation to their areas of responsibility / department;
- Review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and / or particular service areas – including the areas of responsibility of the Regulatory and Non-Executive Committees, but not the actual decisions of the Regulatory and Non-Executive Committees;
- Make recommendations to the Executive, Chairmen of Committees, Chief Officers and/or Council arising from the outcome of the scrutiny process;
- Review and scrutinise the performance of other relevant public bodies in Birmingham (including Health Authorities) and to invite reports from them by requesting them to attend and engage with the Overview and Scrutiny Committee about their activities and performance;
- Question and gather evidence from any person (with their consent); and
- Establish sub-committees to undertake aspects of that committee's remit, or Task and Finish Committees to carry out specific time limited enquiries as agreed with the eight Overview and Scrutiny Committee Chairs and subject to available resources.

iii. Any member of an overview and scrutiny committee (or sub-committee) may ensure that any matter relevant to the remit of the committee (or sub-committee) be placed on the agenda and discussed at a meeting of the committee (or sub-committee) ("Councillor Call for Action").

11.4 Membership

- i. All Councillors, except Cabinet Members (and the Lord Mayor) can be members of an Overview and Scrutiny (O&S) Committee. Members are appointed by Full Council. Chairs of these committees are appointed by the Full Council and Deputy Chairs are elected by each committee at its first meeting, for the purpose of substitution for the Chair if absent.
- ii. Membership of each of the O&S Committees will be eight; with the exception of the Co-ordinating Overview and Scrutiny Committee, which will consist of 12 members: the chair of the committee and the seven other Overview and Scrutiny Committee chairs along with four places for opposition group members to ensure proportionality. Education and Children's Social Care O&S Committee will have an additional four co-opted places, as set out below.
- iii. Quorum for the Co-ordinating O&S Committee and Education and Children's Social Care O&S Committee shall be four; and three for the other O&S Committees.
- iv. No substitute members shall be appointed to an Overview & Scrutiny meeting.

- v. Where a member stands down from a Cabinet role, that member should not be appointed to the O&S Committee scrutinising the portfolios to which that role related for a period of six months.
- vi. A Chair of an Overview & Scrutiny Committee should not be appointed to serve as a Director on any of the City Council's wholly owned companies where the activities of that company overlap with the remit of that Overview & Scrutiny Committee.

11.5 Terms of Reference of Overview and Scrutiny Committees

- i. There shall be eight Overview and Scrutiny Committees as set out in the terms of reference below.

Co-ordinating Overview and Scrutiny Committee

- ii. 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 (including transparency, regional working and partnerships); citizens (including communications and public engagement); performance; customer services; social cohesion; equalities and emergency planning.
- iii. These functions include:
 - a) 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;
 - b) determining, in any cases of uncertainty, the allocation of responsibility for specific tasks between the Overview and Scrutiny Committees;
 - c) 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;
 - d) publishing each year an Annual Programme of major scrutiny inquiries as suggested by individual Overview and Scrutiny Committees following consideration of the Council Plan and priorities;
 - e) agreeing the establishment of any task & finish groups; and
 - f) considering overview and scrutiny development, working practices and constitutional arrangements.
- iv. Membership of the Co-ordinating Overview and Scrutiny Committee will consist of 12 members: the chair of the committee and the seven other Overview and Scrutiny Committee chairs along with four places for opposition group members to ensure proportionality.

Resources Overview and Scrutiny Committee

- v. To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning finance (including strategic finance, budget setting and financial monitoring); revenues and benefits; treasury management; Council land use and property assets; human resources; contracting, commissioning and commercialisation.

Education & Children's Social Care Overview and Scrutiny Committee

- vi. To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning schools and education, the Children's Trust, vulnerable children, corporate parenting, children and young people's health and wellbeing and other child social care and safeguarding functions of the council.
- vii. The Overview and Scrutiny Committee dealing with education matters shall include in its membership the following voting representatives:
- a) Church of England diocese representative (one);
 - b) Roman Catholic diocese representative (one); and
 - c) Parent Governor representatives (two).

Economy and Skills Overview and Scrutiny Committee

- viii. To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning strategic economy; skills and apprenticeships; inward investment; land use planning; business improvement districts and the Local Enterprise Partnership.

Health and Social Care Committee

- ix. To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning adult safeguarding, social care and public health; and to discharge the relevant overview and scrutiny role set out in the National Health Service Act 2006 as amended by the Health and Social Care Act 2012, including:
- The appointment of Joint Overview and Scrutiny Committees with neighbouring authorities; and
 - The exercise of the power to make referrals of contested service reconfigurations to the Secretary of State as previously delegated to the Health and Social Care Overview and Scrutiny Committee by the Council.

Housing and Neighbourhoods Overview and Scrutiny Committee

- x. To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning housing; waste management; neighbourhood management; parks and allotments localisation; bereavement services and community safety.
- xi. This Committee shall be the Crime and Disorder Committee (Police and Justice Act 2006).

Commonwealth Games, Culture and Physical Activity Overview and Scrutiny Committee

- xii. To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning Commonwealth Games; arts and culture; libraries and museums; sport; events.

Sustainability and Transport Overview and Scrutiny Committee

- xiii. To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities relating to sustainability; air pollution; transport strategy and highways.
- xiv. The Committee shall undertake the authority's statutory functions in relation to the scrutiny of flood risk management (Flood and Water Management Act 2010).

11.6 Rules of Procedure

- i. A Scrutiny meeting may be called by the Chair of the relevant Overview & Scrutiny Committee.
- ii. All meetings of an Overview & Scrutiny Committee shall be open to the public in accordance with Section C2 *Access to Information*. In addition to their rights as Councillors, Members on an Overview & Scrutiny Committee have additional rights to documents as set out in Section C2 *Access to Information*.
- iii. No Overview & Scrutiny Committee may undertake a review into:
- Any decision of the Planning Committee, the Licensing and Public Protection Committee or a Licensing sub-committee;⁴⁸
 - Any decisions which may be appealed against under the terms of reference of the Licensing Sub-Committees;
 - Any decision taken by an officer under delegated authority which falls within the terms of reference of the Planning Committee, the Licensing and Public Protection Committee or a Licensing sub-committee;⁴⁹
 - Any code of conduct matter or employment appeals;
 - Except in exceptional circumstances, any decision in respect of which there are:
 - a) Ongoing judicial proceedings, Ombudsman or audit inquiry or complaint under the Council's formal complaints procedure; or
 - b) Individual personnel issues.
- iv. An Overview & Scrutiny Committee may require any Cabinet Member, or Member in relation to a matter where the Member has exercised functions, the Chief Executive and/or

⁴⁸ In respect of a licence or permission granted to an individual or in respect of an individual premises

⁴⁹ In respect of a licence or permission granted to an individual or in respect of an individual premises

any senior officer to attend before it to answer questions and provide information about any matter within its terms of reference.⁵⁰

11.7 Conflicts of interest

- i. If an Overview and Scrutiny Committee is scrutinising specific decisions in relation to the business of another committee or forum of the City Council of which an Overview and Scrutiny Committee Councillor is a Member, then that Councillor must withdraw from the meeting during the consideration of such matter.
- ii. Where, however, the Overview and Scrutiny Committee is reviewing policy matters, generally, as opposed to a specific decision of another committee or forum of the City Council, the Member must declare his/her interest before the relevant agenda item is reached but need not withdraw.
- iii. If a Cabinet Adviser (or former Cabinet Adviser) is a member of an Overview & Scrutiny Committee and is scrutinising matters to which their role relates, then that Councillor must withdraw from the meeting during the consideration of such matter.
- iv. If an Overview and Scrutiny Committee is scrutinising the work of a relative of a member of the Committee, then that Councillor must withdraw from the meeting during the consideration of such matter.

11.8 Overview and Scrutiny Work and Non-Executive Committees

- i. Overview and Scrutiny Committees are only permitted by law to scrutinise the Executive decisions of the Council – Cabinet, Cabinet Committees, Cabinet Members, and officers.
- ii. In terms of the Regulatory Committees, these carry out administrative functions and, as such, appropriate appeal rights and procedures apply to the same, which do not involve the Overview and Scrutiny Committees arrangements.

11.9 “Request for Call-In” and “Call-In”

- i. When an Executive decision is taken by the Cabinet, Cabinet Committees, or Cabinet Member(s), the decision shall be published on the website, and copies of it shall be available at the main offices of the Council, normally within three days of being made. All Members and Chief Officers will be sent a notification of all such decisions within the same timescale, by the Committee Services Officer responsible for publishing the decision.
- ii. The relevant notice will bear the date on which it is published and will specify that the Executive decision may be implemented, after the expiry of three working days after the

⁵⁰ A Member or officer is not obliged to answer any question which he would be entitled to answer in or for the purposes of proceedings in a Court Section 9FA of the 2000 Act.

publication of the decision, unless a “Request for call-in” is made of the Executive decision, by at least two Councillors (who are not members of the Cabinet). The “Request for Call In” should state the reason for call-in.

- iii. Once a “Request for Call In” has been received, the Chair of Co-ordinating O&S Committee will agree which Overview and Scrutiny Committee should hear the call-in. That Committee must meet to consider the request. The meeting should take place not later than 15 clear working days after the original publication of the decision.
- iv. It is for the Committee to decide whether to Call In a decision or not. The Council does not expect an Overview and Scrutiny Committee to Call In an Executive decision unless one or more of the following criteria applies.
- v. Where the Committee does decide to call in a decision, the “re-consideration” which is then required must take place at a meeting of the full Cabinet – irrespective of who made the original decision on behalf of the Executive.

Call-In Criteria

	(a) Is the Executive decision within existing policy?
1	the decision appears to be contrary to the Budget or one of the ‘policy framework’ plans or strategies;
2	the decision appears to be inconsistent with any other form of policy approved by the full Council, the Executive or the Regulatory Committees;
3	the decision appears to be inconsistent with recommendations previously made by an Overview and Scrutiny body (and accepted by the full Council or the Executive);
	(b) Is the Executive Decision well-founded?
4	the Executive appears to have failed to consult relevant stakeholders or other interested persons before arriving at its decision;
5	the Executive appears to have overlooked some relevant consideration in arriving at its decision;
6	the decision has already generated particular controversy amongst those likely to be affected by it or, in the opinion of the Overview and Scrutiny Committee, it is likely so to do;
7	there is a substantial lack of clarity, material inaccuracy or insufficient information provided in the report to allow the Overview and Scrutiny Committee to hold the Executive to account and/or add value to the work of the Council.
	(c) Has the Executive decision been properly taken?
8	the decision appears to give rise to significant governance, legal, financial or propriety issues;
9	the notification of the decision does not appear to have been in accordance with council procedures;

BIRMINGHAM CITY COUNCIL

RESOURCES O&S COMMITTEE – PUBLIC MEETING**1400 hours on Thursday 8 April 2021 (On-line Meeting)**

Present:

Councillor Sir Albert Bore (Chair)

Councillors: Muhammad Afzal, Meirion Jenkins, Yvonne Mosquito, and Paul Tilsley

Also Present:

Councillor Tristan Chatfield, Cabinet Member, Finance and Resources

Peter Bishop, Director of Digital and Customer Services

James Couper, ERP Programme Director

Rebecca Hellard, Interim Chief Finance Officer

Alison Jarrett, Assistant Director, Development and Commercial

Jayne Bowles, Scrutiny Officer

Emma Williamson, Head of Scrutiny

1. NOTICE OF RECORDING/WEBCAST

The Chair 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.

The Chair also reminded Members of the pre-election period guidance which had been issued by the Council's Monitoring Officer.

2. APOLOGIES

Apologies were received from Councillor David Barrie.

3. DECLARATIONS OF INTERESTS

None.

4. ACTION NOTES – 11 MARCH 2021

(See document 1)

RESOLVED:-

The action notes of the meeting held on 11 March 2021 were agreed.

5. REVISED FULL BUSINESS CASE FOR THE FUTURE DELIVERY OF THE COUNCIL'S ERP SYSTEM

(See document 2)

Councillor Tristan Chatfield, Cabinet Member for Finance and Resources, Rebecca Hellard, Interim Chief Finance Officer, Peter Bishop, Director of Digital and Customer Services, and James Couper, ERP Programme Director, attended for this item.

The Deputy Leader had also been invited, however she was unable to attend and Cllr Chatfield passed on her apologies.

The Chair stated that the Committee had had an interest in the ERP system in the past and that Members were pleased to have this report from the relevant Cabinet Members and officers giving an update on the current position with the business case and delivery of the ERP system.

In introducing the report, Cllr Chatfield and officers highlighted the following key points:

- This is a significant programme in terms of change and money and the report contains substantial changes to the programme, most obviously around cost and timing of implementation;
- Final costings could not be done until the final design stage had been reached;
- There is a clear pathway forward but still a lot of challenging areas of work, eg data migration and training of staff, and the involvement of this committee is welcomed as part of a continuing process of overview and scrutiny;
- The previous Full Business Case (FBC), which went to Cabinet in June 2019, was based on assumptions which have now been tested and they are now at the ready to build stage, so it was important to update the FBC and bring it to Scrutiny;
- The revised timetable will see delivery in April 2022;
- A new process called “conference room pilots” to show to officers and agree design has been approved and signed off;
- By the middle of April they will have a fully built system to look at to make sure it is consistent with the design and by the middle of May they will have finished migration from the old system;
- Between now and the end of the summer they will look at base testing of the system and integration with other core systems and in late August/early September there will be six months of detailed testing, training users and getting people read to move to the new system;
- They know where the challenges are and have plans in place to address those and are on track for April 2022.

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

- The Chair noted that the report provided the required detail of why the cost changes had come about;
- It was queried whether staff turnover within the programme was a continuing problem and Members were told that they are not seeing the same level of staff turnover now and some changes have been made to the team;
- With regard to the EY assurance review, it is normal to invite a third party to review how things are going and where improvements can be made;
- There were 60-70 key findings within the EY report, ranging from how the planning process is being managed to the content of the risk log and a plan has been put in place to address each of these, and a significant number of those issues around governance processes have now been addressed;
- It is also proposed that at an appropriate point they will look to do that assurance review again to ensure everything has been addressed;
- There was a pivotal, although disappointing, decision taken in October to not sign off the design at that point and although that contributed to the delay it was the right decision as they were not convinced the design would meet the requirements, which was an important learning point from the review undertaken;
- In response to a comment about the original SAP implementation and the fact that the system had to be adapted to meet the council's requirements, Members heard that there is strong pushback on all business areas which want the solution to adapt to the way they work rather than adopting the business processes and solution we have bought into – the Oracle product;
- Some adaptation has been necessary, for example in treasury management where, because of our scale, Oracle cannot meet our requirements, however the focus is on implementation of adopted business processes and any adaptation has to go through vigorous governance;
- Integrations have been developed to help deliver more efficiently and effectively but there is a lot of third party involvement which we cannot control;
- They are doing at least five courses of data migration, with at least three parallel runs of payroll migration as part of the testing process, and a live data set will be used from April 2022;
- One of the challenges was reconciliation and sorting out ten years' worth of data, which is why data migration is now on a critical path;
- Cllr Jenkins referred to the letter he had written when the working group had first looked at this matter and said that he remains concerned about the budget for the project and the possibility that the April 2022 date might not be met;
- Recommendation 2.3 of the report regarding monitoring of progress at Resources O&S Committee was welcomed and it was suggested that ideally there should be a briefing against a high level project plan at each meeting between now and "go live" in April 2022 so that Members could keep a check on budget expenditure and any proposed changes or variations;

- It was agreed that monthly ERP updates would be programmed for 2021/22, starting with a “deep dive” in June to look at the delivery plan and risk register.

RESOLVED:-

- Monthly ERP updates to be programmed for 2021/22, starting with a “deep dive” in June to look at the delivery plan and risk register;
- The report was noted.

6. **WORK PROGRAMME**

(See document 3)

The work programme was discussed and the following points were raised:

- **CityServe Review** – the Chair queried the status of the report which had previously been listed on the Forward Plan and Members were told that some changes had been made which meant that a report had not gone to Cabinet. It was suggested that a report be brought to Committee for a general discussion so Members can have an understanding of the current position and challenges;

Alison Jarrett, Assistant Director, Development and Commercial, in attendance at the meeting, told Members that a review had been done looking at various delivery models for the future. A number of interim measures have been put in place to see if that turns around some of the market flow and they are looking to see if those measures will transform the service or put it on a better footing.

- **Waste Vehicle Replacement Programme** – Concern was expressed that there had been a slippage with the report now scheduled for the May Cabinet meeting and Cllr Chatfield undertook to get an update on the current position for circulation to Members.

It was noted that the work programme does not go beyond April, however the work on Procurement and Contract Management would continue and a work programme would be put together for 2021/22.

RESOLVED:-

The work programme was noted.

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

None.

8. **OTHER URGENT BUSINESS**

None.

9. 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 1507 hours.

BIRMINGHAM CITY COUNCIL
RESOURCES O&S COMMITTEE

1600 hours on 1st June, Council Chamber – Actions

Present:

Councillor Mohammed Aikhlaq (Chair)

Councillors Majid Mahmood, David Barrie, Shafique Shah, Barbara Dring, Paul Tilsley and Meirion Jenkins.

Also, Present:

Councillor Waseem Zaffar

Councillor Robert Alden

Councillor Ewan Mackey

Satinder Sahota, AD, Legal

Stephen Arnold, Head of CAZ

Richard Tibbatts, Head of Category, Procurement

William Brown, Turner Townsend

Ceri Saunders, Acting Group O&S Manager

Baseema Begum, Scrutiny Officer

1. NOTICE OF RECORDING/WEBCAST

The Chair advised those present that the meeting would be webcast for live and subsequent broadcast via the Council's Internet site and that Members of the press/public may record and take photographs except where there are confidential or exempt items.

2. APOLOGIES

Cllr Lisa Trickett.

Cllr Afzal incorrectly listed as Chair on the Scrutiny webpage. This was noted and will be corrected.

3. DECLARATIONS OF INTERESTS

None.

4. REQUEST FOR CALL IN: PLANNED PROCUREMENT ACTIVITIES (JUNE 2021 - AUGUST 2021) AND QUARTERLY CONTRACT AWARD SCHEDULE (JANUARY - MARCH 21) – CALL IN

The Chair welcomed all attendees and invited Councillors Alden and Mackey to state the reasons for the call-in request.

As per the 'Request to Call-In Proforma' Cllr Alden outlined that reasons 3, 6, 7, 8 and 9 of the set criteria (included in the agenda pack) had been used as the basis of the call-in.

Cllr Alden clarified that the call-in request was specifically about the concerns relating to the procurement process and not whether there should be a Clean Air Zone (CAZ) or not. These concerns were detailed as follows: -

- Previous call-ins on the CAZ have highlighted the concerns that the committee has had in relation to the correct process not being followed.
- The report to the Cabinet meeting on 18th May recommends that Cabinet approve the procurement process however there are clear governance issues.
- Processing of card payments and the Direct Debit (DD) process are noted in this report to Cabinet as needing to be in place by 1st June. However, action needed to be taken before this date to ensure that this was included in an earlier planned procurement report (PPAR) rather than one that was for matters to be implemented between June and August. This is a key issue and the purpose of PPAR and as such is noted in the Council's Constitution.
- There had been 3 PPARs to Cabinet (February, March and April 2021) where the details on the two payment processes could have been included for planned procurement activity from March to July 2021. There was concern that these opportunities gave enough time to provide details and go through the appropriate channels as set out in the Constitution, but this was not done. The Council also has a set procedure for urgent reports that could have also been used (as a late report and updated at the meeting).
- Notified that information relating to the DD process was not available until mid-March however the Council were aware of it at that point and as such could have included it into the April PPAR. In addition, the GoCardless contract was signed in October 2020 and this was not a new contract and so it allowed the Council enough time to include into an upcoming PPAR. Also, Stripe is not a new provider on gov.uk. and has been on the government framework since 2016.
- There are contradictory comments in the procurement report in relation to the providers Stripe and GoCardless where it is outlined that providers for council services need to be signatories to the Birmingham Charter for Social Responsibility (BCSR). The report also states that the Council had no choice in the use of providers as these were selected by the Department for Transport (DfT) but that providers must be signatories to the BCSR (and selected on the

basis on being signed up to the BCSR) to be able to be used by the Council. It is therefore worth noting that the Council cannot force these providers to sign up to the BCSR, so this is an inaccuracy noted in the report.

- The DD payment processing contract with GoCardless is for a 2-year period (starting on 1st June 2021 in line with DfT contract terms). There is concern that the contract that this provider has with the DfT finishes on 1st September 2022 whereas the Council's contract expires later (June 2023) and no reference to this has been made in the report in terms of the impact it might have. For example, issues in relation to a service break or a change in provider when the government re-procures the contract and what this may mean for the Council. This is fundamental information and impacts the length of contract being asked for.
- Bath and North Somerset Council also have a CAZ in place since 15th March using the same framework and providers but have not experienced the issues that Birmingham has.
- The Council's Constitution states in Section D3 (Procurement Governance Arrangements) under paragraph 3.2.3 that any planned procurement has to be brought back to the Cabinet for executive decision. In section 3.10 in reference to compliance it is made clear that awarding of a contract must be made before a procurement process takes place. It is therefore a requirement as set out in the Constitution.
- Section 2 of the briefing note to the Resources O&S Committee states the protocol of the PPAR and its purpose (Cabinet to be sighted on upcoming procurement activity and to inform Cabinet and Resources O&S). Concern that it would not have been possible to have done this at the time if more information was required by Cabinet in the form of a full report. Therefore, a report should have been done in advance to allow for any extra information requested to be provided and that proper financial due diligence was carried out.
- In addition, what was the procurement basis for taking the decision and was there sufficient delegation? In the 'Birmingham Clean Air Zone (CAZ) Update to Cabinet on Digital and Physical Infrastructure Development, Air Quality Monitoring and Income and Expenditure Forecast' report to Cabinet on 19th January 2021 section 1.1 referred to an online portal and working with the Joint Air Quality Unit (JAQU). Paragraph 7.2.6 highlights that a procurement exercise was required to introduce a payment/charging mechanism and 7.4.1 details procurement implications as "none". The last update to Cabinet indicated that no procurement exercise was needed for introducing a charging mechanism. Therefore, this report only notes what should take place. Existing delegated approvals in the January report made no reference to any procurement process being needed for a payment system therefore the Council doesn't have the delegated authority to be able to make a contract signing for the payment system and this wasn't given in the report in January. Cabinet were told in this report that there was no procurement necessary to do the payment system. However, in an additional report to Cabinet on 18th May a decision had been taken a few days before the CAZ was due to start and in this the Cabinet were told that a procurement process is needed and has

implications. Furthermore, information shared in the briefing note to Resources O&S was not shared with Cabinet. This should be referred to Cabinet, so it is aware of all the legal and financial risks.

Cllr Mackey added his reasons for requesting the call-in: -

- The Council needs to stick to the rules and law and follow good governance.
- Single contractor negotiations are bad value for the Council and more so when it only engages with one contractor/provider for a high value contract. This doesn't represent good value.
- The Council was aware that an online payment system would be required and therefore procurement implications. The report to Cabinet in January 2021 made it clear that the procurement process was not needed. This was agreed by Cabinet and so there was no delegated authority given to officers to enter contract negotiations. Therefore, if an officer goes against this then it is operating ultra vires. This report and decision needs to go back to Cabinet to be changed to allow for subsequent decisions and authority to be given. This needs to be checked.
- Residents that have been checking their vehicles online need to be filled in on what is happening as there seems to be errors occurring without the user knowing they could incur costs. For example those that are putting details in are finding that they won't be charged (for a non-compliant vehicle) because the payment system isn't charging currently even though a particular vehicle would be non-compliant so the public does need the correct information to be made clear. Those that checked this weekend were notified that no charge would be made however because of the discrepancy people need to be notified to check again to avoid future charges.

Members then made the following comments: -

- Single contract providers are often not best value. Information relating to other providers has been shared but acknowledge that government guidance to all local authorities was that only a specific provider could be used.
- The CAZ is an issue of high public interest and in that respect, officers have delayed presenting information to Cabinet.

The Chair then called on the Cabinet Member, Cllr Zaffar, and officers to respond to the points made as follows: -

- Cllr Zaffar welcomed the challenge from scrutiny and previous call-ins and explained that previous call-ins have no relevance to the decision today and that separate procurement processes were in place.
- It was clarified that the Cabinet accepted an amended report due to a clerical error (the original report detailed decisions made in May and yet the report referred to the June-July report). This was done on the advice of the Chief Finance Officer and it was agreed by Cabinet.
- Any non-compliant vehicle checking the on-line car-checker today will be given the correct information relating to their vehicle only and nothing relating to charges. The Council is working with communities and giving them more time to adjust. However, on the payments portal it is clear that no charging is taking place and payments are not being accepted. Extensive consultation has taken

place on how to launch the CAZ and how communities are able to adjust to the policy. This is in line with other Council decisions on charging such as bus gate enforcement where no charging has taken place on the day that the policy starts.

Stephen Arnold, Head of CAZ added the following in relation to the points raised: -

- The CAZ agreement and delegated authority requested in the 19th January 2021 report to Cabinet refers to the provision of an online vehicle checker, a payment portal and a national contact centre that is provided by the government as part of the central services. However, within the CAZ agreement it makes no specification about additional sub-contractors. At that point a request was put forward to seek delegated authority to enter into that agreement with the Secretary of State. It is important to note this as it crucial to the timeline. There was no procurement issue at this point as the Council was not aware of the contractual agreements that would need to be entered into with GoCardless and Stripe, the impact on the timeline and that no delegated authority was required or requested.
- The Council engaged with and worked to the set timeline with both contractors. In relation to GoCardless the Council sought details of the arrangement that was in place with government in relation to the contract signed with DfT in late 2020 very early on. However, at this point the Council was unclear about what contractual arrangement would exist between the Council and GoCardless.
- With reference to the set CAZ guidance from December 2020 that was being worked to at the time it was clear that for DD payments GovPay utilise GoCardless and that local authorities would be required to contract with them through GovPay. At that point the Council was engaging with GoCardless and seeking confirmation on what the contractual arrangement would be. On 8th March 2021 a Local Authority addendum was received notifying the Council that it would need to review the full contractual details before signing up (as signed up to by government) and this contract was received on 11th March. This led to the Council entering into a period of protracted discussion as the CAZ guidance sets out financial terms that local authorities are asked to sign up to. This was queried in light of the CAZ agreement because there are fees that are levied against the local authority through the statutory instrument which was set down in December 2020.
- Following a number of queries and clarification on the terms due to inconsistency in previous discussions it was confirmed that no charges would be levied against the Council. The final version of the contract was received from DfT in mid-April and it was not possible to have worked with the timescales set out for regular PPAR highlighted earlier although frustrating that this meant a delay in reporting to Cabinet.
- In response to legal risk and issues raised, Satinder Sahota, Assistant Director, Legal & Governance added that based on the information heard at the meeting today and information provided it was clear that proceeding with the procurement with Stripe & GoCardless did not represent a legal risk to the Council. Furthermore, in relation to the procurement process as set out in the Constitution and PPAR it was explained that notifying the Cabinet was

dependent on the circumstances. For instance, if a contract is available to be able to present (or a summary of) then this will be provided to Cabinet. In this situation the relevant service officer has detailed the sequencing of events and at what point the Council was aware of changes.

- In relation to the reference made to Section 3.2, Part D of the Constitution reference is made to PPAR. The need to procure with DD and card processing providers is also mentioned in the appendix but does not specify providers.

Councillors Alden and Mackey summarised the key points for the committee to consider prior to taking a vote.

Members held a discussion where the following points were raised: -

- Concern about the negative media coverage and the public being informed of the changes to charging on the morning of the 1st June.
- The briefing note to committee details a defence and is not balanced.
- Cleaning up the air in the city is a priority however the Council has been aware of this scheme for the last 2 years however the procurement process has been left to the last minute and having only been given one provider to work with. Further reports are needed to Cabinet that details what Bath and North Somerset have been doing and to ensure that Birmingham is paying a competitive price on its contract.
- Lack of resources from government and there has been a lot of delay in getting the CAZ going. Calling-in this decision won't be beneficial to the city or committee however lessons do need to be learnt in respect of single contractor negotiations and the implementation of actions inserted into the contract.
- The decision should have been made exempt to being "called-in" as there was a mandatory requirement from government to use certain providers only.

A vote of the Committee then took place as follows with 4:3 in favour of not calling-in the decision.

The Chair thanked everyone for their attendance and taking part in the discussion.

RESOLVED: -

1. The decision was not called-in.
2. Committee to undertake further work based on the issues raised at the meeting.

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

None.

6. OTHER URGENT BUSINESS

Meeting times to be discussed at the next Committee meeting.

7. AUTHORITY TO CHAIRMAN AND OFFICERS

Agreed.

RESOLVED: -

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

The meeting ended at 17:21 hours.

BIRMINGHAM CITY COUNCIL

RESOURCES O&S COMMITTEE – INFORMAL MEETING**1400 hours on Thursday 24 June 2021 (On-line Meeting)****Action Notes**

Present:

Councillor Mohammed Aikhlaq (Chair)

Councillors: David Barrie, Barbara Dring, Majid Mahmood, Shafique Shah and Paul Tilsley

Also Present:

Councillor Tristan Chatfield, Cabinet Member, Finance and Resources

Councillor Brigid Jones, Deputy Leader

Peter Bishop, Director of Digital and Customer Services

James Couper, ERP Programme Director

Rebecca Hellard, Interim Director of Council Management

Alison Jarrett, Assistant Director, Development and Commercial

Alan Layton, Head of City Finance

Sara Pitt, Assistant Director, Finance

Mohammed Sajid, Interim Head of Financial Strategy

Dale Wild, Head of Service, Cityserve

Jayne Bowles, Scrutiny Officer

Emma Williamson, Head of Scrutiny

1. NOTICE OF RECORDING/WEBCAST

The Chair 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 Meirion Jenkins and Lisa Trickett.

3. DECLARATIONS OF INTERESTS

None.

4. FINANCIAL OUTTURN 2020/21

(See document 1)

Councillor Tristan Chatfield, Cabinet Member for Finance and Resources, Rebecca Hellard, Interim Director of Council Management, Alan Layton, Head of City Finance, Sara Pitt, Assistant Director, Finance, and Mohammed Sajid, Interim Head of Financial Strategy, attended for this item.

Cllr Chatfield introduced the report and highlighted the following key points:

- The report is a good news story, given the extraordinary circumstances over the last financial year and the position being not just an underspend but a significant underspend is a very substantial achievement, which probably reflects the improvements made in financial management over the last couple of years – a fact that has been recognised by the recent CIPFA three star assessment;
- Table 1 in Appendix A sets out in detail the corporate position showing a corporate underspend of nearly £25m separated away from Covid;
- In terms of Covid, there was substantial government intervention leaving us with a remaining figure of around £17.5m to meet any needs in the coming financial year;
- Already in discussions with officers it has become apparent that issues around Covid might have a lag that goes on well beyond the formal government intervention period assuming we are now coming to the end of the pandemic;
- The significant underspend allows us to invest in areas of concern, including £12m into a Clean Up Reserve, £10m for a Community Recovery Plan Reserve, £2m into a Major Events Reserve and £36m set aside for a Budget Smoothing Reserve in recognition that we still face a significant financial challenge in future years;
- There is a lot of work being done to cut off that challenge and as we move into a rolling budget process the work for that will be evident and they will be able to report back to O&S on progress.
- That links in to the delivery plan and £8m going into the Delivery Plan Reserve;
- In addition, £2m is being set aside to improve the SEND service and members will be aware of continuing work around this service and the £2m will go towards that work;
- In terms of capital, there has been significant slippage because of Covid and the inability for projects to move forward at the desired speed;
- With regard to the savings programme, there is a delivery of around 77% which is not where we would want to be but given the circumstances around Covid it did mean a great deal of effort had to be directed towards Covid and therefore some of the originally envisaged savings unfortunately suffered some slippage, but given the overall position that is relatively minor given the

nearly £25m corporate underspend and this year underspends have been seen across all directorates.

Alan Layton added the following point in terms of reserves:

- Members will see in the papers that the reserves compared to the previous year have increased from £656m to just over £1b, some of which is us investing in reserves and some is a technical measure whereby for the business rates support received from the government last year because technically it is our future finances so we roll those reserves forward to be used in the budget so is a technical change.

In reply to questions and comments raised by Members, the following responses were given:

- The Cabinet Member is not aware of any further Covid grant funding at the moment but it will obviously depend on what happens as we move forward;
- It was noted that if the government gives guidance, funding is not provided, but where there is statutory legislation they have to find a way to fund it;
- We do have other resources in addition to the £17.5m, which adds up to over £40m in terms of Covid budget cover, which it is hoped will be enough however there may be some lag in terms of impact, for example an increase in domestic abuse referrals, an increase in young people facing mental health problems and the eviction ban has now come to an end so we are likely to see an increase in homelessness, and the financial impact could mean some difficult conversations about resources and part of that could be an ask of Government to provide support to deal with that;
- With regard to the Council Tax deficit of £15.3m, Members were told there is always a deficit of some description inherent in council tax but due to the impacts of Covid a significantly increased deficit has been budgeted for;
- The £12.1m allocated for city clean up and the major events budget of £2m are both one-off but the intention of the events reserve is that it is topped up. It will be used to support major events and the intention in future years is to prop that back up again so it meets the needs of large events – obviously doing the CWG but there are other major events the city might want to bid for, whether they are cultural or sporting events. We have a proud tradition of hosting those events and fully optimistic will continue to bid successfully for those events and obviously we often get income from those but there has to be up-front cost associated with them and it is right we have a reserve position to cover those off;
- The non-deliverable savings of £5m will have to be delivered, they do not disappear. They have been written off for the purposes of this report, but they remain a deliverable savings target and do work towards delivering those savings;
- Reserves have to be considered in the light of a couple of things – one is the overall risk profile of the council, as a local authority, size we are and scale of challenges we take on in terms of regeneration, hosting CWG etc, high profile big cost events do carry a substantial level of risk for the council and therefore it is right our reserve position reflects that and we can't necessarily be compared directly to other local authorities simply because the endeavours we undertake may be different to other LAs. The auditor in the past has commented on our reserve position and it is right that we take a

sensible and mature approach to our reserve position and there is adequate level of risk we are taking on. And it also has to be seen in the light of the debt position we have as well. We carry a lot of debt as an organisation and while interest rates are low at the moment it is important to bear in mind that debt and we do need to make every effort to ensure we have a reserve position that is strong as well;

- In relation to loss of housing benefit income, do we have plans in place for continuation if government grants are stopped going forward;
- With regard to the increase in the level of income in Legal Services, they charge for their services, as do some of the other support services, and are charging to projects and programmes of work so anywhere that we have additional funding for anything they are charging their solicitors' time. They are also an award winning department and are winning quite a bit of business from elsewhere so they support other organisations;
- With regard to loss of advertising income, we have a long term contract in place with Ocean Advertising Ltd and that still has 6 years to run. Yes, we had a loss this year due to Covid, nationally there was a loss across the whole industry. Are in negotiations with Ocean at the moment to see what we can recover over the remaining 6 years and looking at some of the terms on the percentage shares. Also some of the costs we charge into it. Positive we will get a good chunk of that money back. We are seeing some small recovery and over the summer of 2020 when parts of lockdown was lifted we did see a small recovery begin but it is a volatile industry and advertisers don't give much notice – around 3 weeks – and when lockdown was imminent again, we saw those advertisers pull out. What we were able to capitalise on though was to take up some free advertising space for ourselves to get the Covid message out and benefitted us and our partners from a £2m worth of free advertising during 2021 and pointed partners and BIDS to Ocean and they got £6m worth of support during that period so didn't have empty hoardings. Working closely with CWG OC and targeting some of the sponsors for advertising in the city in the lead-up to the games, although only certain sponsors will be able to advertise within a closed set area so we are seeing what we can do outside of that zone and working collaboratively to maximise the benefits and opportunities for the council.
- The Property Services deficit of £4.2m in rental income largely attributed to the Covid 19 pandemic is worrying – it was queried whether there has been an increase in owners returning keys back to the City Council and have we got enough provision in place to negotiate lower rents or alternatively give them a freeze period during the pandemic.
The Cabinet Member advised that as there were no officers from Property Services in attendance, a response on this would have to be provided outside of the meeting;
- There was concern around the Highways infrastructure and whether we had, or would be considering, a revised budget given the potential loss of on-street parking as a result of the Clean Air Zone.
Members were told that always where there is a scheme that has a loss of income attached to it has to be part of that decision and it is absolutely right it has to be reported back not just through report receiving today but through Cabinet Member reports so members can make an objective decision about the financial background to those decisions and yes, when we

are removing parking on the highway, that has an income loss along with other decisions we make around things like property disposal but it has to be considered in the light of the overall cost benefit analysis of that project which should outweigh any income loss;

- In the Street Scene aspect of the report, the outstanding 45 fleet and waste vehicles due to be delivered in June had now been delivered, having been held up due to Covid;
- Annex A9, under-achievement in contract savings £3.427m is quite high and further details were requested on why those contract savings have not been achieved;
- Annex 11, savings programme, it was queried why there are 3 columns for reduced external legal spend;
- There was a proposal to reduce the grant to the Active Wellbeing Society but that has not been achieved and it was queried whether that is because of Covid and us trying to help that society;
- In terms of procurement savings, it was queried whether the target was realistic when it was set or whether it had not been met due to Covid.

Members were told that what has to be borne in mind is that £3m is a very small percentage of overall procurement spend and it probably was a realistic target but Covid made delivering on that quite difficult and there is still work being undertaken all the time around procurement savings and delivering best value on procurement and that will continue. It is always difficult to have an aspirational target, the challenge is that in previous years they have sometimes been too aspirational and unattainable whereas £3m was attainable but unfortunately Covid made it more challenging than it otherwise would have been;

- With regard to the Property Strategy slippage of £62.9m and the engagement of external consultants, further detail was requested on the terms of reference and cost of this, how long the review will take and when we will have a revised Strategy;
- The Property Capital Budget has slipped – money was set aside to take advantage of any opportunities that might come about but Property Services did not come across any such opportunities which were a worthwhile investment for the council so that budget will move forward into future years for when opportunities do arise;
- In November 2020 the whole delivery plan for the council went through Cabinet detailing everything that will be delivered by May 2022 and one whole strand of that is around inclusive growth and within that is the Property Strategy programme of work, the work on the £65m capital receipts and delivering that both through our own companies and sales to third parties, as well as further work on how we sweat our assets (in the 2022/23 forecast budget which goes to next year's budget council meeting there is £38.66m worth of income predominantly to come from those inclusive growth programmes so a lot more sweating of the assets and using our property to best effect.

We will see those come through the committee cycles, some in July and some in September, so there is active work being done, supported by consultants, and the terms of reference and costs for the consultants will be provided to Members;

- With regard to the slippage around the Clean Air Zone, it would be helpful in future months to have quarterly figures in terms of income generated to see if it's in line with what we were hoping to achieve;
- A request was made for a report to be brought to a future meeting on the council's long-term debt strategy and debt history;
- The £156m of loans taken out towards the end of 2019/20 were taken out for a 1-3 year period specifically to cover pre-payment to the pension fund and that would be repaid over the three years and charged to the revenue fund. The council makes a saving by being able to pay up-front three years worth of contributions rather than paying each year. There was a discount of around £20m;
- Whether we borrow short term or long term is a tactical decision we take and generally try to make the borrowing commensurate with the benefits. For the capital programme we would be looking to borrow long term. Anything above 364 days is long term;
- In terms of repayment, the council has to make a statutory provision every year for the repayment of debt so we have to set aside money from our revenue budget, which is around £140-150m per year. That money can be used to repay the debt or offset borrowing for future programmes. Effectively it is money that should be reducing our debt. Our borrowing needs were lower last year because the capital programme slipped and we also had funding from the government;
- We do borrow money from other local authorities – the interest rate payable is lower than that paid to the Public Works Loan Board so is justifiable in terms of the deal;
- Collection Fund Outturn – it seems we are paying 1% of our business rates to the West Midlands Fire & Rescue Authority and it was queried whether that is just us or other local authorities in the West Midlands as well.

The report was noted and:

- Report on long term debt strategy (and debt history) to be added to the list of items to be scheduled into the work programme;
- Property Strategy – further details to be provided on the terms of reference and costs for the external consultants;
- Property Services deficit of £4.2m in rental income largely attributed to the Covid 19 pandemic – further information to be provided.

5. IMPLEMENTATION OF THE COUNCIL'S FINANCE AND HR ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM

(See document 2)

Councillor Brigid Jones, Deputy Leader, Peter Bishop, Director of Digital and Customer Services, and James Couper, ERP Programme Director, attended for this item.

Cllr Jones gave Members some background to this item and in doing so made the following points:

- The council's Finance and HR system needed replacing and this is the project which is currently on-going;
- A pause and re-set was required a few months ago to make sure that the programme was fully aligned to the improvement journey that both Finance and HR have been on;
- This is not just a piece of IT software – done right it should be a real tool for driving improvements in our services and modernising the way the council works.

Officers highlighted the key points in the presentation and in the course of the discussion, and in response to Members' questions, the following were amongst the main points raised:

- There is a commitment to bring regular monthly updates on the implementation of the new system to committee, with more detailed quarterly reports;
- Officers were asked whether Covid had impacted on the implementation of the new system and Members were told that the council has chosen a software partner who has a significant number of operations off-shore in India and this had resulted in some delay with the delivery of 16 items built off-shore;
- There had been no specific issues with more locally based staff, the biggest challenge had been how to bring people together to collaborate;
- Concern was expressed that the cost had doubled, however Members were given the background to the reasons for the delay and increased costs and the detailed options appraisal that had been included in the report which went to Cabinet in March;
- A significant amount of work has been done on cyber security and Oracle have to demonstrate that the environment in which they operate is secure every 6 to 12 months and they are complying with all relevant standards;
- In response to a question about whether other local authorities had implemented this system and whether there were any lessons that could be learned, Members were told that there were others, including Solihull, Walsall and Cornwall, who are implementing Oracle Fusion Cloud and they do have conversations about the challenges and they have the ability to influence Oracle;
- With regard to training staff to use the new system, they have the ability to provide training to end users in a way that does not take them away from their job by using a tool which enables them to click on an icon whilst they are carrying out a task, how-to clips and virtual classrooms.

The report was noted.

6. CITYSERVE UPDATE

(See document 3)

Cllr Chatfield made the following introductory comments:

- The opportunity to bring this report to O&S was welcomed;

- Members will be aware that Cityserve provides a school meal service in a large number of our schools and has done so for many years, providing a fantastic service and they have done extraordinary things throughout the Covid pandemic in terms of supporting schools and making sure food gets to the most vulnerable children in our city;

Alison Jarrett, Assistant Director, Development and Commercial, who has corporate responsibility, highlighted the key points in the report and Dale Wild, Head of Service, made the following additional points:

- The pandemic has brought the very best out in people where adversity shines a light on the service;
- They took a very early position that whatever the school wanted they would offer them and did not take a “one size fits all” approach to feeding children;
- They were working on a shifting sand basis, not knowing from one day or one week to the next, how many schools they were providing for, whether they were open or closed, if they were open did they have any children in, and essentially had 180 schools doing 180 different things at 180 different times;
- The logistics of that, trying to deploy over 1,000 staff, was somewhat challenging so any compliments and words of praise for the work the teams have done is duly warranted;
- They supported, packed and delivered food parcels and took an early decision, well before all the adverse publicity, that they would put £15 worth of food in those parcels and not include the labour cost and overhead which some private sector competitors chose to do;
- Cityserve is a municipal service and they know they are in a competitive market and are introducing a programme which they call the Dexter Programme, predicated on a young 7 year old child who visited the development kitchen two years ago and he featured in one of the promotional videos where he described his time at Cityserve, where he made his own school meal alongside his colleagues, as being “very fun”;
- This is something they want to emulate across the city so are going directly to headteachers and governors of the schools they serve and asking them to choose a Food Champion within their school so they can act as the eyes and ears of the service right at the heart of children’s food provision in Birmingham;
- They want to learn what the children want to eat and their chefs will make it nutritionally and safety compliant;
- They also want to invite the Food Champions into some of their senior management team meetings, with support staff from their schools, to hear about their experiences in the dining hall;
- They will continue to provide schools with what they want within the budget envelope.

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

- Members congratulated Cityserve on the brilliant service they provide, and noted that for a number of years they had delivered a healthy financial return and had won a number of awards;
- Concern was expressed at the number of contracts lost or where notice has been given, however it was pointed out that whilst a lot of schools have

- applauded the quality and service from Cityserve, it is a highly competitive market with saturated food service provision from the private sector;
- Cityserve does carry some heavy overheads and there is a need to bolster resources and skills sets to win new business;
 - Winning new business is a highly technical process with all tenders being run by consultants who have their own way of evaluating who has the best offer and some of the best offers from Cityserve cannot be captured within their contract framework, leaving little opportunity to promote their significant qualities;
 - They are working on a far more competitive pricing structure and a new engagement process where schools have no reason to worry about quality, service or price and with prices more comparable with the private sector they are hoping their engagement strategy they will be able to secure the contracts in the future;
 - The service provides school meals to both LEA schools and academies, with the split being around 80% LEA or free schools and 20% academy chains;
 - However, when academy chains look for food service providers they look mainly across a national platform and some of the larger academies will do a deal with a private sector partner who can service all of their academies as opposed to localising it in Birmingham;
 - It was suggested that the government should introduce minimum nutritional standards for school meals and Members were told that there are standards already in place. It is all written in the School Food Plan and in addition there are national school nutritional standards which are set as guidelines but these standards only apply to LEA schools and not to academies, who can choose whatever food they like;
 - The importance of the municipal responsibility the council has to children in the city was stressed and a view was expressed that the hashtag #All about the kids should be brought back, and that the government should be lobbied to bring back home economics as a core subject in schools;
 - Dale told Members that he would ask the question about bringing home economics back in schools at the All Party Parliamentary Group which he attends;
 - Members were also pleased that individual needs had been recognised and catered for as part of the food provision to schools during lockdown;
 - The question was asked whether going forward there could be some consideration given to providing food hampers for children on free school meals who are fasting so they can take the hampers home and open them when they break their fast;
 - Members were told that this is something that has been discussed and they will look to price that up and see what they can do;
 - The Learning and Development Suite and Development Kitchen are part of the Ashted Lock offices which they have offered to surrender to the City for alternative use as all Cityserve office staff are currently working on an agile basis and they do not feel they need to move back into that space;
 - However, they are mindful they do have those two assets there and their solution to this is to work closely with the schools and invite them to participate in enabling them to use their kitchens and dining halls as community learning and kitchen and menu development centres.

The report was noted and

- Consideration to be given to the provision of hampers for children on free school meals who are fasting;
- The suggestion for home economics to be brought back as a core subject in schools to be raised at the All Party Parliamentary Group.

7. PLANNED PROCUREMENT ACTIVITIES REPORT

(See document 4)

Cllr Chatfield introduced the report and explained that, as Members who have previously served on the committee will be aware, the report and the Constitution references Scrutiny having an oversight and being able to refer items of concern to himself as Cabinet Member and this is the opportunity to do that if there are any issues. It was further pointed out that these matters are within delegations so the decisions sit with officers but there is an opportunity, should Members wish to, to refer these to Cabinet for a separate report.

Cllr Mahmood indicated that he wished to raise some issues on the exempt appendix which the Chair confirmed would be dealt with in private.

He also raised the following points:

- **Enterprise Resources Planning Data Migration Service** – this is a single contract award and with most single contract awards we put on there that they are certified for the Business Charter for Social Responsibility but in this case there is no information confirming that they have implemented the BCSR and that it would be helpful to include that information; They are expected to sign up to the BCSR and any detail within that would be the responsibility of contract management through the normal process and if they are not delivering what they committed to in the social value action plan then that would be a matter which represents breach of contract. More detail on this can be provided if required.
- **Housing Stock Condition Survey** – this refers to 60,000 dwellings and as that is a figure that has been quoted for many years, confirmation was sought as to whether that figure is now accurate given that we have demolished a number of tower blocks and there are a number of Right to Buy transactions completed on a weekly basis, and also is 12 months sufficient for that contract given the number of properties; The Cabinet Member responded that whilst we do lose some properties, new properties are being built, but said that he will check that figure.
- **Operational & Strategic Taxation Advice** - where we say we have no expertise in-house, do we actually investigate whether we can bring that expertise in-house so that we can create jobs.

The report was noted and:

- Housing Stock Condition Survey reference to 60,000 dwellings – correct figure to be confirmed and also whether 12 months is sufficient for that contract given the number of properties;

- Operational & Strategic Taxation Advice – response to be provided as to whether we actually investigate whether we can bring that expertise in-house so that we can create jobs.

A brief discussion on the private appendix took place in private at the end of the public meeting.

8. WORK PROGRAMME 2021/2022

(See document 5)

The work programme was discussed as follows:

- Monthly financial monitoring reports and ERP update have been scheduled;
- Cllr Mahmood's request for a report on the long-term debt strategy was noted;
- Members confirmed that they would like to continue with the piece of work which had been started on Procurement and Contract Management and an informal session will be arranged.

The work programme was noted.

9. PROPOSED DATES OF MEETINGS 2021/2022

The proposed dates were noted, however they will be looked at again to see if those which fall on the same week as City Council can be moved. The dates will be brought back to the formal meeting in July.

10. OTHER URGENT BUSINESS

None.

The meeting ended at 1610 hours.

Resources Overview & Scrutiny Committee

Briefing on the Quarter 1 Finance Report and Medium Term Financial Plan Update reports being considered by Cabinet on 27 July 2021



Background

■ In February 2021

- Council set a **balanced** revenue budget for 21/22
- The budget for 22/23 was balanced with the expectation enhanced business cases from Delivery Plan workstreams will come forward with proposals achieving **£38.5m** in savings
- The Medium Term Financial Plan showed a deficit of **£76m** in 23/24 and rising to **£80m** by 24/25

■ In June 2021

- The 20/21 year ended with a **£76m** non Covid underspend and a **£17m** Covid underspend largely a result of significant one-off government funding received in the year.

■ July 2021

- The Quarter 1 finance report is being reported to Cabinet.
- July update to the Medium Term Financial Plan forecast has been produced for Cabinet.

Quarter 1 Finance Report

- The Quarter 1 finance report is showing currently a net overspend forecast by the end of the year of **£23m Non Covid and £4.4m Covid**. If we include the cost of existing staff redeployed to Covid this adds £38m to the cost of Covid.
- Overspend is **3.3%** of the net budget.
- This is **early in the financial year** which allows time for corrective action to be taken.
- Requirement is that directorates will collectively work towards eliminating the overspend by March 2022.
- Key details from the Quarter 1 report on shown in the following slides

Quarter 1 General Fund Financial Position

	Covid Variation	Non- Covid Variation	Total Variation
	£m	£m	£m
Directorate Sub Total	27.8	5.6	33.4
Corporate Budgets	11.5	17.4	28.8
Application of Tranche 5 Funding Budget 2021/22	(12.5)	0.0	(12.5)
Covid Funding	(17.5)	0.0	(17.5)
Income Loss Scheme Funding	(4.9)	0.0	(4.9)
City Council General Fund Sub Total	4.4	23.0	27.4
Transfer of Indirect Covid Costs	38.0	(38.0)	0.0
General Fund after transferring indirect costs	42.4	(15.0)	27.4

- We will maximise the use of ring fenced Covid funding to mitigate the current Covid overspend.
- Position monitored by the Interim Director of Council Management and the Cabinet Member for Finance & Resources, and reported to Scrutiny via monthly exception reporting.

Key Directorate Pressures:

- **£3.4m** SEND Travel Assist increased costs
- **£2.6m** Homelessness B&B demand increasing

Key Corporate Pressures

- **£7m** likely 1.5% pay award, budget based on Chancellor's announcement of a public sector pay freeze
- **£5m** element of workforce saving seen as currently undeliverable
- **£5m** reduced government support for Council tax and business rates losses

Other Quarter 1 Highlights

Capital expenditure

- Spend forecast at **£745.3m** against revised capital budget of **£734.0m** including slippage from 20/21.
 - Overspend of **£11.3m** due to increased housing improvement works funded by additional contributions from the Housing Revenue Account.

Savings Programme

- **£36.8m** savings programme
- **£15.9m** (43%) delivered so far or on track (Green). **£15.2m** (Amber). **£5.7m** (Red)
 - £20m workforce savings: £10m delivered, £5m Amber and £5m Red,
 - £8.8m Adult Social Care savings has £7.5m Amber due to uncertainty around demand in community and hospital settings.

Collection Fund

- Forecast deficit of **£14.7m** (£5m Council Tax and £9.7m Business Rates). Impacts 22/23 budget
 - Lower business rates growth forecast at this stage

Housing Revenue Account

- **£2.3m** surplus which will increase HRA reserve to **£11.3m** for resilience

Balance Sheet

- Reserves – forecast to be **£825m** with General Reserves and balances **£197m** of this providing a level of financial resilience.
- Sundry debt **£5.4m** higher year on year at **£85.8m**.
 - Driven by Covid restrictions on debt collection and courts shut down.
 - Adopting a more targeted debt approach in response

July Medium Term Financial Plan Update

- The July Medium Term Financial Plan update is coming early in July as part of the new rolling budget process which is one of the improvements made to the Council's financial management.
- The latest projections indicate that the position has deteriorated since February, with the gap now been estimated to be in the region of **£116m** by 2025/26.
- The **£36.4m** Budget Smoothing reserve, created from underspends for 2020/21 outturn, will assist in providing further budget resilience.

Estimated changes since February 2021

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Financial gap as approved by Cabinet February 2021	(0.078)	76.329	80.521	97.412
<u>Expenditure changes</u>				
Pay award assumed to be 1.5%	7.129	7.307	7.490	7.677
Waste service - cost of upgrading old infrastructure and loss of income due to changing market conditions	-	-	4.500	4.500
Ongoing pressure on Home to School Transport budgets	3.000	3.000	3.000	3.000
Strengthened PMO and CE delivery unit (April Cabinet decision)	1.458	1.458	1.458	1.458
COVID impact	2.505	2.416	2.416	2.416
Total expenditure changes	14.092	14.181	18.864	19.051
<u>Resource changes</u>				
Reduced expectation from the local tax support	5.369	5.369	-	-
Business Rates and Council tax forecast deficit (Quarter 1)	14.735	-	-	-
Total Resources changes	20.104	5.369	-	-
Updated Financial Gap (July 2021)	34.118	95.879	99.385	116.463

Key Risks

- Key reforms to local government financing (e.g. business rates system)
- Spending Review later this year.
- Additional services pressures including ongoing impact of Covid and Brexit (income and service demands)

Next Steps

- Further MTFP update will be taken to Cabinet in October, which will incorporate initial cashable benefits from the Delivery Plan programme of works and other solutions.
- Public consultation will take place from November to December 2021
- Final budget proposals to Cabinet and Council in February 2022

1B Programme Resources Overview & Scrutiny Committee

22nd July 2021



1B Programme Dashboard July 2021

SRO:

Becky Hellard

Prog Director:

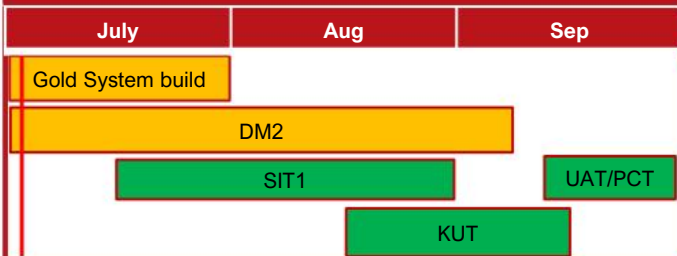
James Couper

Overall RAG
(June)

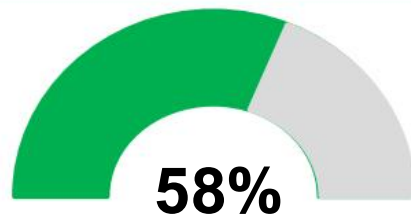
Overall RAG
(July)



3 Month Forward Plan



Completion percentage



Programme controls

	Previous RAG	Current RAG
Time		
Costs		
Resources		
Benefits		

	Red	Amber	Green
Previous	1	5	7
Current	0	5	8

Workstream	Previous RAG	Current RAG
Data Migration		↗
Inbound and Outbound Integrations		↗
Reporting		→
Build & Config		→
P2P		→
Commercial & Procurement		↗
HR & Schools HR		→
Finance		→
Service Transition		→
Testing		→
Business Change		→
Infrastructure & SAP Business Continuity		→
Architecture		→

Summary Update

Programme is amber due to delays in the areas of configuration sign off and the impact on DM2 activity and issues with progress on integration requirements and development.

DM2 fixes and development are underway but have been impacted by the delay to the BCC sign off for the configuration workbooks. Daily stand-ups have been put in place over the next 4-6 weeks to track progress and ensure timely issue resolution.

Whilst the programme timeline for April 22 remains achievable it is under stress due to DM1b and the further impact of delays to the sign off for Gold Build configuration, a further 12 days. This has reduced the contingency and will see an impact to the start of UAT.

Adoption activity in the form of communication and briefings across DMTs continues and the review of the benefit case will begin.

Return to Green Plan

1. Integration specifications in scope for SIT1 completed (mid-July '21)
2. GOLD build activity complete (end July)
3. Data Migration 2 to complete within revised timeline in support of UAT & PCT (Sep '21)

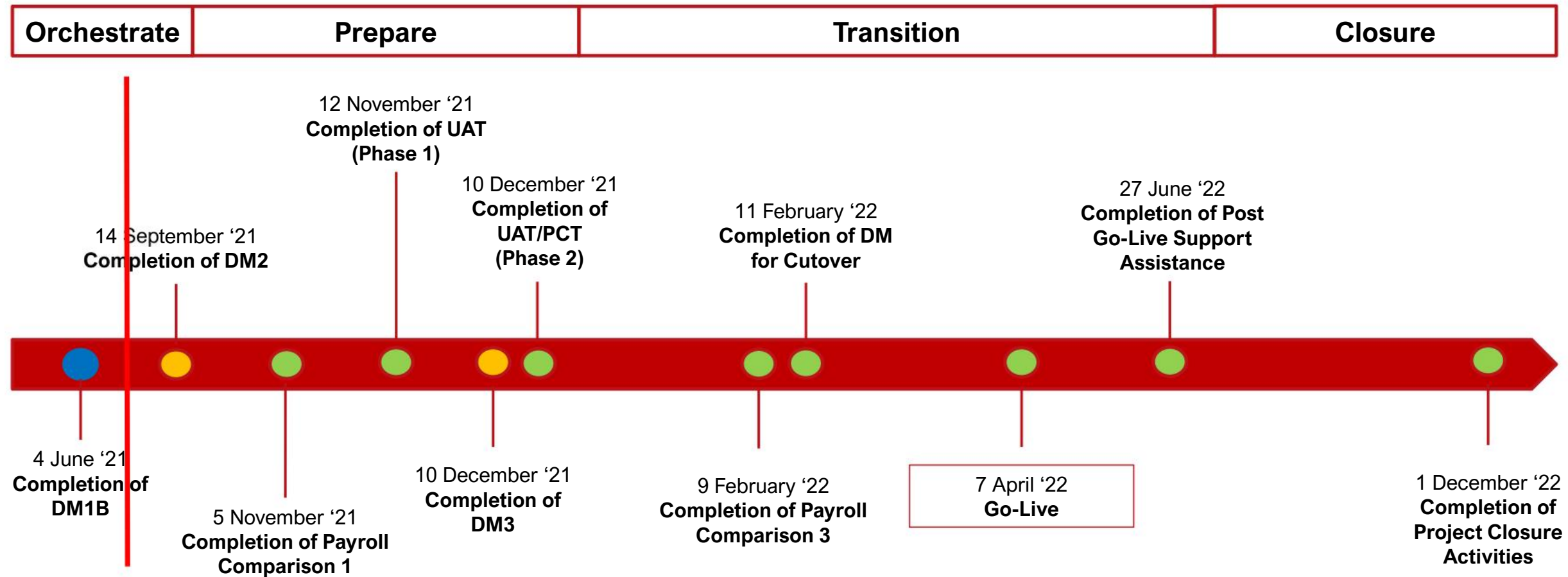
Management Support Required	R	At risk	A	On target	G
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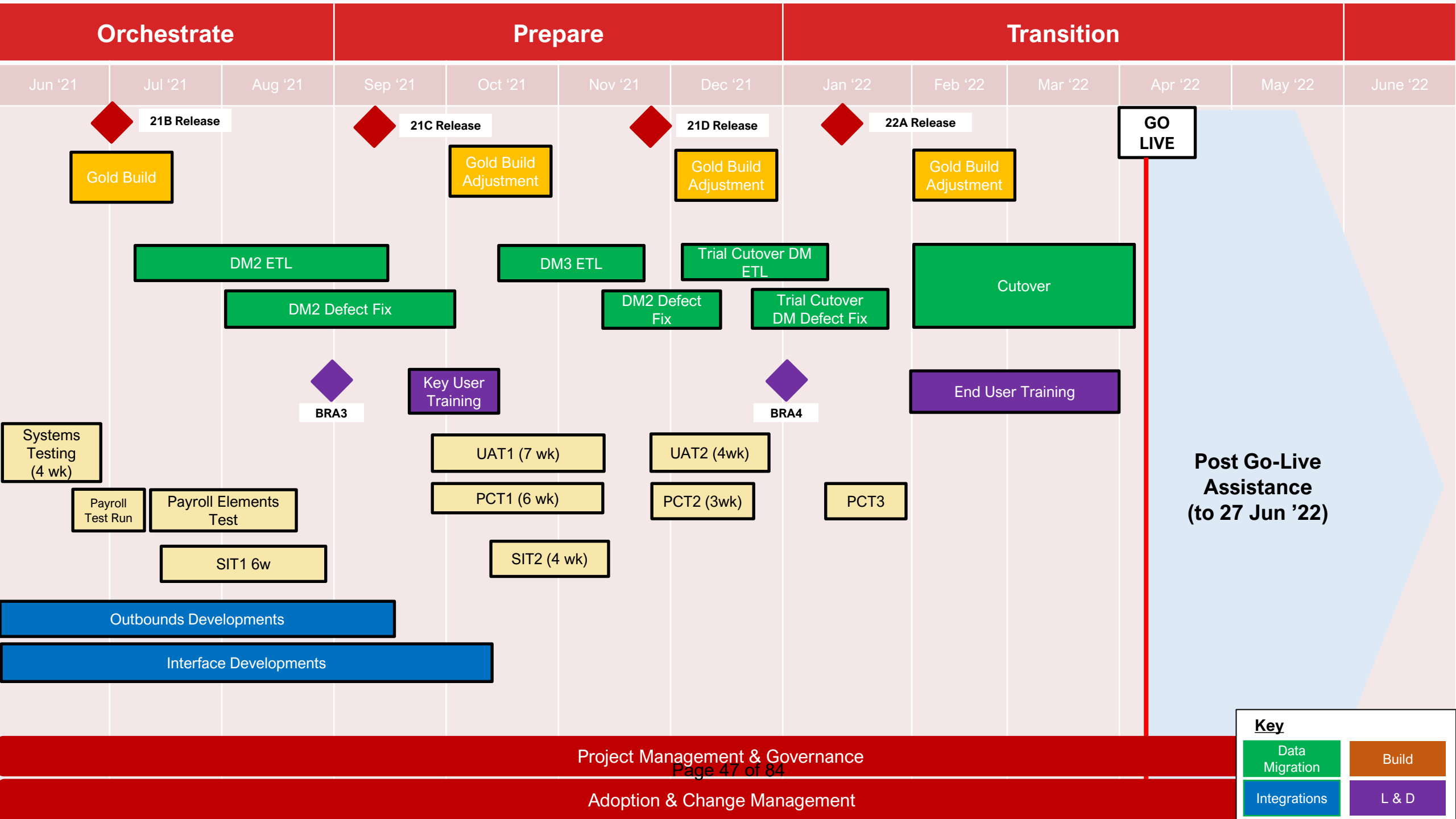
Improving	↗	Worsening	↘	Stable	→
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Programme milestones for reporting

Ref	Milestone description	Baseline completion date	Actual or forecast date	RAG	Commentary
ERPM004	Delivery of Design Phase (CRP 1&2) Contract commercial milestone	15/06/20	01/02/21	C	
ERP MS01	Completion of Data Migration 1b	19/05/21	04/06/21	C	
ERP MS02	Completion of Data Migration 2	14/09/21	14/09/21	A	14/09 is new forecast date for load completion due to DM1B delays
ERP MS03	Completion of Data Migration 3	10/12/21	10/12/21	A	Currently under impact assessment
ERP MS04	Completion of Validation Testing (UAT) – Phase 1	12/11/21	12/11/21	G	Re-baselined to allow for DM2 delays and window decreased to 7 weeks
ERP MS05	Completion of Validation Testing (UAT) – Phase 2	10/12/21	10/12/21	G	
ERP MS06	Completion of Payroll Comparison 1	22/10/21	05/11/21	G	Re-forecast to allow for DM2 delays and window increased to 6 weeks
ERP MS07	Completion of Payroll Comparison 2	10/12/21	10/12/21	G	
ERP MS08	Completion of Payroll Comparison 3	09/02/22	09/02/22	G	
ERP MS10	Completion of Data Migration for Cutover	11/02/22	11/02/22	G	
ERPMS11	Go-Live – Finance and Procurement, HR and Payroll (PPR, Go-Live)	07/04/22	07/04/22	G	
ERPMS12	Completion of Post Go Live Assistance	27/06/22	27/06/22	G	
ERPMS13	Completion of Project Closure Activities	01/12/22	01/12/22	G	

1B ERP Milestone Plan





1B Programme Risks & Issues



1B RAID Dashboard

July 2021

Summary Update

- A quality assurance of all remaining risks/issues has taken place which has resulted in a high number of closures – predominantly within service transition and commercial.
- There has been additional drive to supporting action owners to close out risks/issues in a timely manner through a proactive approach to risk management in the programme led by the PMO
- High number of risks/issues in integrations space which are driving workstream red status. These are targeted for resolution in July and August.

Risks	Assumptions	Issues	Dependencies
44	15	19	21
LEVEL			
2 Very High	0 High	3 Very High	2 High
7 High		7 High	
20 Medium	0 Medium	6 Medium	7 Medium
14 Low		3 Low	
1 Very Low	15 Low	0 Very Low	12 Low
TREND		TREND	
5 ▼ Declining		3 ▼ Declining	
24 ◀▶ Stable		13 ◀▶ Stable	
15 ▲ Improving		3 ▲ Improving	
89% Mitigated			

	Open Risks	Open Issues
Previous (June)	55	30
Current (July)	44	19

Function	Open Risks	Open Issues	Total
Inbound / Outbound Integrations	1	7	8
Data Migration	4	2	6
Service Transition	4	2	6
Architecture	4	2	6
HR	5	0	5
Programme	4	1	5
Testing	4	1	5
Business Change	4	0	4
P2P	3	1	4
Infosec	3	1	4
Contracts & Commercial	0	2	2
Infrastructure	2	0	2
Evosys	2	0	2
Reporting	2	0	2
Finance	1	0	1
Steer Co	0	1	1
Data Cleansing	0	0	0
TOM	0	0	0
Total	44	19	63
Key on Total	10 +	5 to 10	0 to 5

Risk Update

Risk description	Cause/Impact	Likelihood/Impact	Mitigation plan & Update
DM2 delays impact on UAT/PCT DM2 has been re-planned which puts the timeline for UAT1 and PCT1 at risk at being able to start to plan.	Cause: DM2 has been delayed due to delays in defect fixes and sign offs of the configuration workbooks Impact: Data is not migrated under DM2 preventing the Testing Team to prepare and execute for the first phase of UAT and PCT.	M/VH	<ol style="list-style-type: none"> 1. Re-baseline of dates in programme planning session after impact assessment of DM2 delays 2. Daily stand ups put in place to manage against the plan across Evosys, Egress and BCC 3. Prioritised defect resolution approach put in place for master data and payroll with a prioritised backlog
Unmasked data in Oracle Environment ERP Oracle Cloud Non-Production Test & Dev environments hold Live Data within them which is being accessed by 3rd parties and BCC SMEs.	Cause: In order to successfully migrate and reconcile data it is not possible to mask data in some environments. Impact: This poses a risk of losing control of the environments and the personal data held within them which could lead to ICO fines.	L/VH	<ol style="list-style-type: none"> 1. SI partners Egress and Evosys have signed DPIAs and apply with strict procedures to control access to environments with live data 2. BCC Testing Team controls access to the each environment 3. BCC staff must comply with their Employment T&C in relation to data protection 4. Procurement of Oracle Masking Service has commenced.
Invoice Scanning Should the 1B P2P Programme choose a 3rd Party rather than adopt the Oracle capability there is a risk that the delivery of it will not user acceptance testing (UAT) phase.	Cause: Oracle have not yet demonstrated their service offering meets the business requirement. Impact: A full procurement exercise will need to be run risking delivered before testing under UAT. The solution would also incur increased costs to BCC (<£500K)	M/VH	<ol style="list-style-type: none"> 1. A Proof of Concept was run to demonstrate the capabilities of the 2 products to meet business requirement. The outcomes are being ratified. (July '21) 2. Procurement strategy in place for both products pending outcomes of PoC

Issue Update

Issue description	Cause	Severity	Mitigation plan & Update
Changes being made after agreed dates <p>There have been a number of changes requested to designs, requirements or configurations after agreed dates for sign-offs which impacts the delivery timeline and if it continues will impact the critical path plan. This has an impact on ability to test solution and resource allocation.</p>	A combination of new personnel, late changes to processes and lack of timely review of programme documentation is driving change.	VH	<ol style="list-style-type: none"> 1. Change freeze dates have been shared with stakeholders to manage this. 2. A change control process has been put in place for both business changes, configuration updates and contract changes which will be tightly managed by the Programme Team. 3. Review cycles made clear for documentation and dates circulated to ensure resources are available.
COVID impact on offshore resources <p>The delivery from SI partner Evosys technical resources has been impacted due to COVID situation in India.</p>	Due to recent surge in Covid cases in INDIA, Evosys offshore delivery team has been impacted and may cause further delay in the delivery timelines on the technical side.	M	<ol style="list-style-type: none"> 1. Evosys have observed few more cases with immediate family members of our consultants which has impacted on delivery. 2. Evosys management is monitoring the wider impact and recruiting additional resources.
Finance SME resources <p>A number of SME resources are being delayed from commencing activity on the programme due to delays in on-boarding backfill resources</p>	1B budget is being used to fund a number of backfill posts in Finance to ensure dedicated resources are in place to meet the 1B programme timeline.	M	<ol style="list-style-type: none"> 1. Current status of each of the 4 roles has been requested from Finance Teams and review of resource schedule to understand impact on the timeline

Budget position (to June '21)

Activities	21/22 Forecast		22/23 Forecast		Total
Resources					
PMO	£	3,504,748	£	724,414	£ 4,229,162
ITDS	£	1,987,157	£	120,118	£ 2,107,275
BCT	£	475,000	£	-	£ 475,000
Providers					
SOCITM	£	929,840	£	232,460	£ 1,162,300
Egress					
Extension	£	826,000	£	126,000	£ 952,000
Evosys/Insight					
CCN	£	55,350			£ 55,350
Extension	£	1,219,873	£	926,127	£ 2,146,000
SAP	£	1,216,000	£	-	£ 1,216,000
Licences					
Oracle Fusion	£	1,621,622	£	810,811	£ 2,432,433
Evosys Workforce Scheduler	£	-	£	-	£ -
OTL	£	192,683	£	-	£ 192,683
PS Live	£	16,500	£	-	£ 16,500
BDA	£	3,418,625	£	-	£ 3,418,625

Other			
Training	£ -	£ -	£ -
Procurement	£ -		£ -
Audit	£ -		£ -
Backfilling staff	£ 1,350,000		£ 1,350,000
Miscellaneous	£ 10,000		£ 10,000
Totals	£ 16,823,398	£ 2,939,930	£ 19,763,328
Contingency	£ 236,672		£ 236,672
Total Requested in MTFS	£ 17,060,070	£ 2,939,930	£ 20,000,000
Reserves			
19/20 Contribution	£ 1,450,255		£ 1,450,255
20/21 Contribution	£ 1,920,844		£ 1,920,844
Total	£ 3,371,099		£ 3,371,099

New Ways of Working

Resources O&S Committee – 22nd July 2021

Peter Bishop - Senior Responsible Officer

Robin Burton - Programme Manager



What do we want from today?

- Outline Key cabinet decisions
- Investment and payback

Reminder – What is our goal?

- The programme's primary goal is to “implement working practices, technology, and facilities to enable all staff to operate in a fully agile way” so that we are “an organisation that is more responsive, efficient and effective by ensuring our teams have the capability, confidence and tools to continue to work where, when and how they choose, with maximum flexibility and minimum constraints to optimise their performance in support of those we serve”
- Focus on Managing by Outcomes!

Organisational benefits of the programme



Personal Benefits of the programme



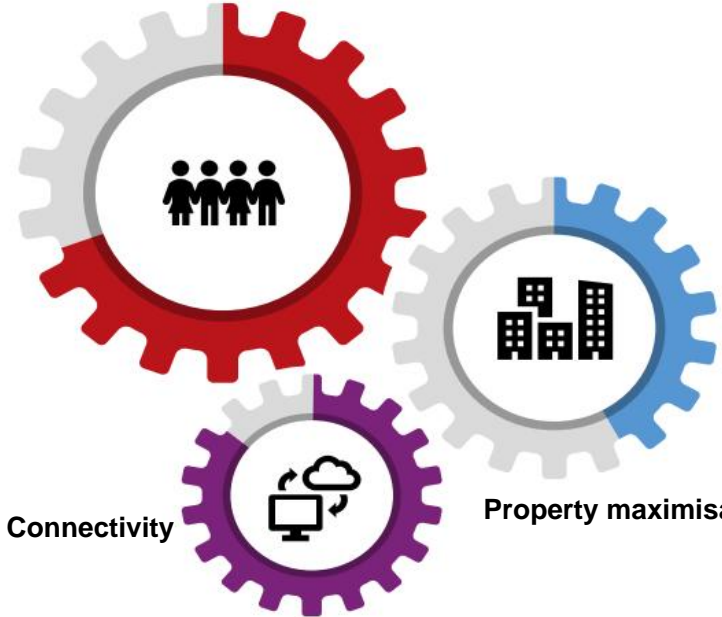
Key Elements of New Ways of Working

We will readjust and reimagine all 3 cogs so that we can work in new ways

Of course, each cog will have activities and projects of their own which will change the way we work. Each will be led by dedicated teams, but all 3 must be interlinked with each other in order to succeed

Our People cog is our most important, as without our teams feeling confident, competent and supported to work in new ways we will not succeed

Investment in our
People



Digital Connectivity

Property maximisation

New Ways of Working – Property Maximisation



Council House
Complex

The Council House Complex is an important asset with significant potential. We will not relinquish this asset but it does require significant investment. The question is how we best use this historic building, accessible to the public, as a civic space fit for the next part of the 21st Century



Lancaster Circus



Woodcock Street



New Aston House



Lifford House



Sutton New Road



Margaret Street

Council Administrative Buildings

- We plan to relinquish Lancaster Circus and lease Margaret Street within a 18-24 month period
- Consideration is being given to further reductions in the Council's property estate and the optimal sequencing
- As we relinquish buildings, Inclusive Growth will develop options to maximise the value we release from them
- Planning the “return to normal” post 19th July announcement

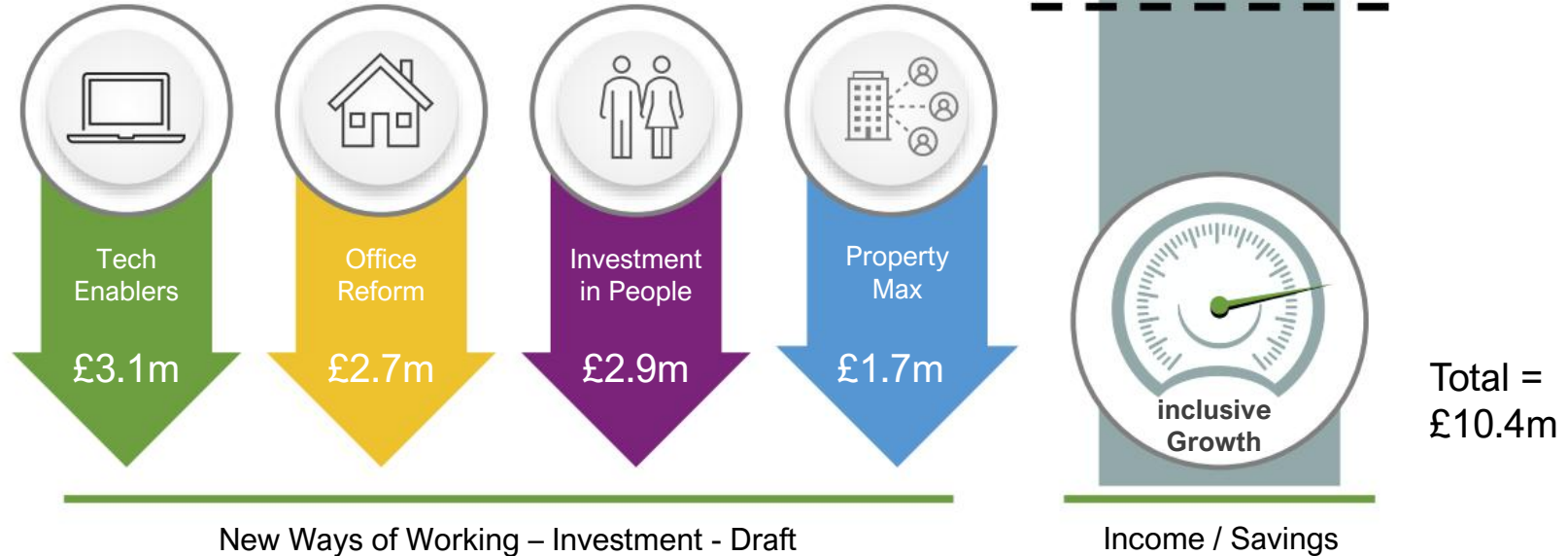
What have we done so far?

- Delivery plan - Outline Business Case – Sept 2020-Jan 2021
- Delivering 2,600 laptops with cameras – started Mar 2021
 - Releasing swapped out devices to schools etc.
- Cabinet Report April 2021 - Lancaster Circus and Margaret Street surplus
- Enabling the de-cant from Council House to Margaret street
- Developing Enhanced Business Case and Cabinet Report
 - Designing Change programme
 - Remote Managers Training Programme
 - Future Leaders Programme
 - Engaging with all Directorate DMTs
 - Designing Paper Reduction strategy
 - Working with team in Margaret Street and Council House (600 bags of confidential waste)
 - Decommissioning Lancaster Circus
 - CCTV, UTC, Emergency Response
 - Enabling Technology investment (desk booking, hybrid meetings, voice, field worker etc.)
 - Working with Children's Trust (as Tenant) to move to agile working
 - Redesigned Woodcock Street and Lifford House into agile workspaces
- Re-thinking Public Hubs and Locality Working

What investment is required?

Capital Receipt: Lancaster Circus = £11-20?m

Revenue saving: Lancaster Circus & Margaret Street = £1.349m p.a.
(£6.75m over 5 years)



New Ways of Working Change Roadmap

MS Teams Training Strategy

- Listened and learnt from past experiences
- Dedicated specialists to support you
- Blended learning approach
- Bespoke and 121 support available
- Build your confidence and confidence

Managing Remotely

- Expected attendance of all managers
- Built from feedback
- Softer skills in how to manage
- Knowledge as to why we should
- Keeping you safe

One Stop Shop

- Learning all in one place
- Your FAQs and access to Chat Bots
- Supporting your wellbeing
- Gathering your ideas
- Communicating simply
- Onboarding new starters

Agile Liaison Officers

- Supporting all Teams and Managers
- Your critical friend
- Capturing your barriers
- Helping you to find solutions
- Signposting you to support

Homeworking

- Promotion as choice
- No expectation to have to
- Simple application process
- Monitored for equity

Building Trust

- Softer skills training
- Open to anyone
- Agile Organisations are built on trust
- Impartial feedback mechanisms
- Open and transparent communication

Future Leaders Programme

- Built on research
- Outcomes based management
- Piloted and built on feedback
- Offered to existing Managers first
- 12 month programme
- Blended learning

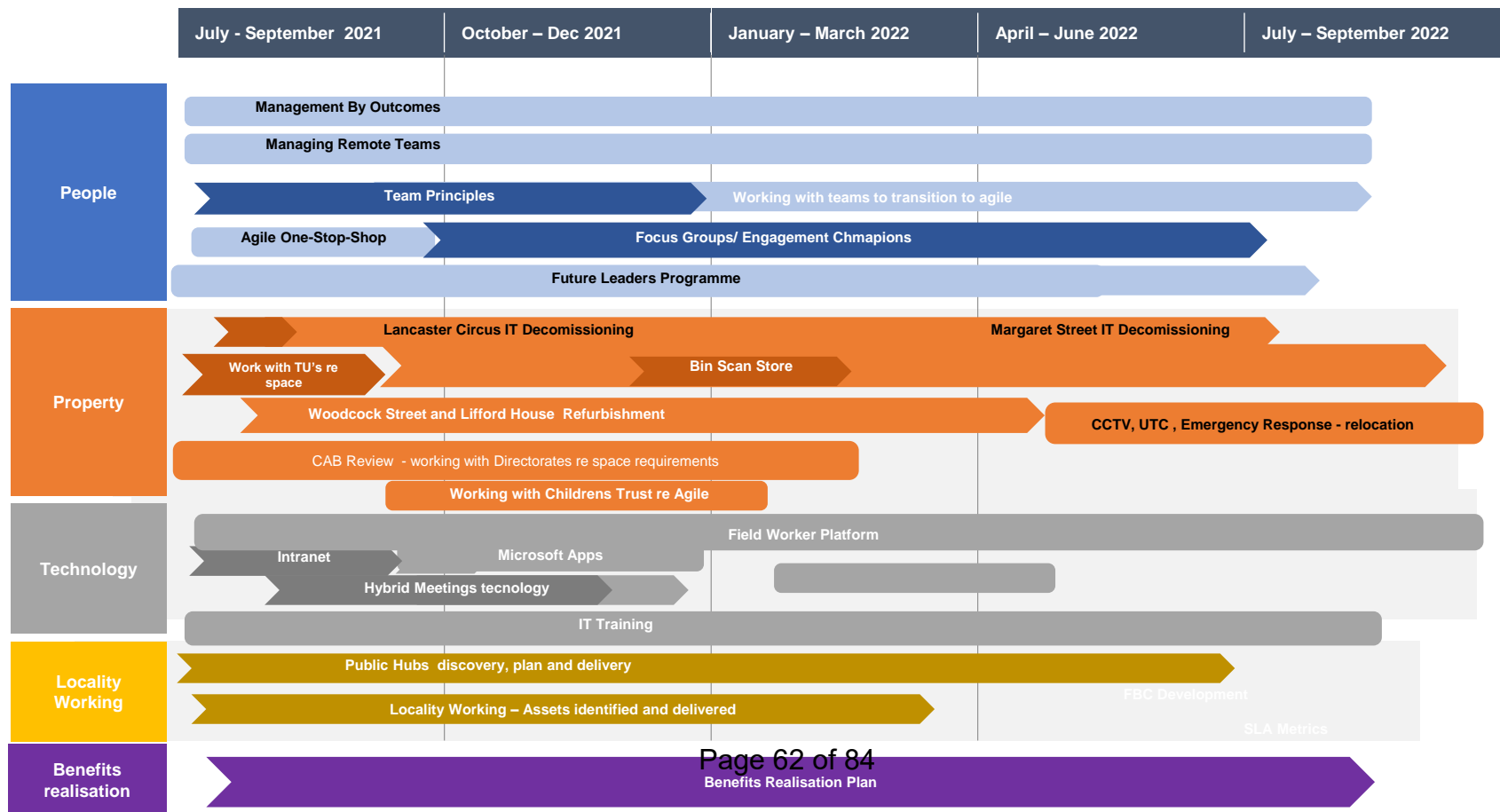
Engagement Champions

- Volunteers from across the business
- Supporting communication and engagement
- Gathering your experiences
- Shaping our policies and practices

Spatial Planning

- Understanding your service and any unique needs
- “One Size does not fit all” methodology

New Ways of Working Timeline



REOPENING OF BUILDINGS



Context and justification to approach

- On the cusp of change which will affect our culture
 - All need to show our adaptability and openness to change
 - Lead by example
- Variant is still here
- Infection rates are still rising
 - Removal of restriction - a change in behaviour
- Working with the TUs at every step, improving our relationships and collaborating
- We are taking this opportunity to reset our expectations of future working

NWOW Approach

- Use the opportunity to change behaviours
- Open 50% of Woodcock Street
- Every other desk
- All desks bookable on the enhanced booking system
- Remove one way system
- Strongly recommend masks to be worn when moving around
- Increase capacity of lifts from 1 to 4
- Review other CAB building opening timetable dependent upon business need

ANY QUESTIONS?



Birmingham City Council

Report to Cabinet

Date: 27th July 2021



Subject: **PLANNED PROCUREMENT ACTIVITIES (AUGUST 2021 – OCTOBER 2021)**

Report of: **ASSISTANT DIRECTOR DEVELOPMENT & COMMERCIAL FINANCE**

Relevant Cabinet Member: **Councillor Tristan Chatfield, Finance and Resources**

Relevant O &S Chair(s): **Councillor Mohammed Aikhlaq, Resources**

Report author: Richard Tibbatts, Head of Contract Management
Email Address: richard.tibbatts@birmingham.gov.uk

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		
3. Information relating to the financial or business affairs of any particular person (including the council)		

1 Executive Summary

- 1.1 This report provides details of the planned procurement activity for the period August 2021 – October 2021. Planned procurement activities reported previously are not repeated in this report.
- 1.2 The report enables Cabinet to identify whether any reports for procurement activities should be brought to this meeting for specific executive decision,

otherwise they will be dealt with under Chief Officer delegations up to the value of £10m, unless TUPE applies to current Council staff.

2 Recommendations

- 2.1 Notes the planned procurement activities under chief officer delegations set out in the Constitution for the period August 2021 – October 2021 as detailed in Appendix 1.

3 Background

- 3.1 At the 1 March 2016 meeting of Council changes to procurement governance were agreed which gives Chief Officers the delegated authority to approve procurement contracts up to the value of £10m over the life of the contract. Where it is likely that the award of a contract will result in staff employed by the Council transferring to the successful contract under TUPE, the contract award decision has to be made by Cabinet.
- 3.2 In line with the Procurement Governance Arrangements that form part of the Council's Constitution, this report acts as the process to consult with and take soundings from Cabinet Members and the Resources Overview & Scrutiny Committee.
- 3.3 This report sets out the planned procurement activity over the next few months where the contract value is between the procurement threshold (£189,330) and £10m. This will give members visibility of all procurement activity within these thresholds and the opportunity to identify whether any procurement reports should be brought to Cabinet for approval even though they are below the £10m delegation threshold.
- 3.4 It should be noted that the procurement threshold has changed from £164,176 to £189,330 and will apply from 1st January 2020 for a period of 2 years.
- 3.5 Individual procurements may be referred to Cabinet for an executive decision at the request of Cabinet, a Cabinet Member or the Chair of Resources Overview & Scrutiny Committee where there are sensitivities or requirements that necessitate a decision being made by Cabinet.
- 3.6 Procurements below £10m contract value that are not listed on this or subsequent monthly reports can only be delegated to Chief Officers if specific approval is sought from Cabinet. Procurements above £10m contract value will still require an individual report to Cabinet in order for the award decision to be delegated to Chief Officers if appropriate.
- 3.7 A briefing note with details for each item to be procured is listed in Appendix 2. The financial information for each item is detailed in Appendix 3 – Exempt Information.

4 Options considered and Recommended Proposal

4.1 The report approved by Council Business Management Committee on 16 February 2016 set out the case for introducing this process. The options considered are:

- To refer the procurement strategy and contract award of individual procurements to Cabinet for decision.
- To continue with the existing process – this is the recommended option

5 Consultation / Engagement

5.1 This report to Cabinet is copied to Cabinet Support Officers and to Resources Overview & Scrutiny Committee and therefore is the process for consulting with relevant cabinet and scrutiny members. At the point of submitting this report Cabinet Members/ Resources Overview & Scrutiny Committee Chair have not indicated that any of the planned procurement activity needs to be brought back to Cabinet for executive decision.

6 Risk Management

6.1 Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

7.1.1 Details of how the contracts listed in Appendix 1 and Appendix 2 support relevant Council policies, plans or strategies, will be set out in the individual reports.

7.2 Legal Implications

7.2.1 Details of all relevant implications will be included in individual reports.

7.3 Financial Implications

7.3.1 Details of how decisions will be carried out within existing finances and resources will be set out in the individual reports.

7.4 Procurement Implications (if required)

7.4.1 This is a procurement report and the implications are detailed in the appendices

7.5 Human Resources Implications (if required)

7.5.1 None.

7.6 Public Sector Equality Duty

7.6.1 Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports.

8 Background Documents

8.1 List of Appendices accompanying this Report (if any):

- 1. Appendix 1 - Planned Procurement Activity August 2021 – October 2021
- 2. Appendix 2 – Background Briefing Paper
- 3. Appendix 3 – Exempt Information

APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (AUGUST 2021 – OCTOBER 2021)

Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Finance and Resources Plus	Finance Officer	Contact Name	Planned CO Decision Date
Single Contractor Negotiations	The Organisation and Delivery of the Great Birmingham 10K Run and the Great Birmingham Half Marathon	TBC	The organisation and delivery of two mass participation running events on closed road courses; the Great Birmingham 10k in May (apart from 2021 which will be October due to the covid pandemic), 2022, 2023 and 2024 and the Great Birmingham Half Marathon in October 2021, 2022, 2023 and 2024 as part of Birmingham's calendar of major events and the National Great Run Series.	4 years	Neighbourhoods	Leader	Carl Tomlinson	Garry Peal	01/11/2021
Single Contractor Negotiations	Additional Works within the SPRINT and Metro Corridors	TBC	Additional civil engineering works which fall directly within the Metro and Sprint projects corridors. These works are: •Installation of 4 white lighting columns in Centenary Square. •Amendments to the footway and carriageway at Park St, Digbeth and Allison Street to improve the public realm, pedestrian facilities and bus stop provision. •Reinstallation of the Iron:man statue and changes to the existing hostile vehicle mitigation bollards •WMCA Cross-city bus proposals that interface with Metro and the Paradise (U-turn) proposals •Amendments to Lyon Queensway, Cambridge Street and Great Charles Street Queensway/Summer Row, providing bus priority and/or bus stop infrastructure, that facilitate proposed changes to bus routes	1 year	Inclusive Growth	Transport and Environment	Simon Ansell	Nigel Tammo / Charlie Short	09/08/2021
Approval to Tender Strategy	Accommodation and Support to address Homelessness at Point of Discharge	TBC	Accommodation is required to provide a safe space for people who are homeless at the point of discharge from hospital, enablement beds and mental health provision. The service will also be for support for these individuals to assist with addressing their long-term housing needs.	5 years with option to extend for a further 2 years	Adults Social Care	Adults Social Care	Andrew Healey	Sarah Feeley / Mike Smith	01/10/2021
Strategy / Award	Professional Support Services to develop the Our Future Delivery Plan (OFCP)	TBC	Our Future City Plan – Central Birmingham Framework 2040' will replace the existing Big City Plan with a new vision for the central area of the city to help deliver new homes, jobs and commercial development. The Draft Central Framework 2040 is now being produced and expert advice is required.	8 months	Inclusive Growth	Transport and Environment	Simon Ansell	James Betjemann / Charlie Short	01/09/2021
Approval to Tender Strategy	Framework Agreement for the Provision of Home Support for Adults in Prison at HMP Birmingham	TBC	There is a requirement for the delivery of care and support for service users in HMP Birmingham. The service will support service users to achieve their identified outcomes in order to improve their independence and ability to self-manage and to achieve and maintain their desired potential in relation to their physical, intellectual, emotional and social capacity.	5 years	Adults Social Care	Adults Social Care	Andrew Healey	Chris MacAdams	01/09/2021
Approval to Tender Strategy	Concrete Liners for Burials	TBC	There is a requirement for the works to supply and install concrete liners for burials which are mainly utilised by the Muslim Community for burials	4 years	Neighbourhoods	Homes and Neighbourhoods	Carl Tomlinson	Bev Nash	09/08/2021
Approval to Tender Strategy	Estate Agency Service for Birmingham Municipal Housing Trust (BMHT)	TBC	An estate agency service to manage the sale of new build properties across four BMHT housing schemes. The tender will be undertaken in three lots based on the geography of the sites. •Lot 1 = Monmouth Road and Long Nuke Road, Bartley Green (86 sales units) •Lot 2 = Birchfield Road, Birchfield (18 sales units) •Lot 3 = Abbeyfields, Erdington (19 sales units)	4 years	Neighbourhoods	Homes and Neighbourhoods	Carl Tomlinson	Mark English / Siobhan MacDonald	09/08/2021
Approval to Tender Strategy	Addressing the backlog in Deprivation of Liberty Safeguard (DOLS) assessments in preparation for the implementation of Liberty Protection Safeguards	TBC	To complete approximately 1400 outstanding DOLS assessments. The supplier will be expected to provide management oversight and quality control of the assessments completed, prior to them being passed back to the LA for authorization.	1 year	Adults Social Care	Adults Social Care	Andrew Healey	Paul Hallam / Sandra Asiedu	09/08/2021

APPENDIX 2

BRIEFING NOTE ON PLANNED PROCUREMENT ACTIVITIES **CABINET – 27th July 2021**

Title of Contract	SCN - The Organisation and Delivery of the Great Birmingham 10K Run and the Great Birmingham Half Marathon
Director / Assistant Director	Chris Jordan, Assistant Director Neighbourhoods
Briefly describe the service required	<p>The organisation and delivery of two mass participation running events on closed road courses; the Great Birmingham 10k in May 2022, 2023, 2024 and 2025 and the Great Birmingham Half Marathon in October 2022, 2023/2024 and 2025 as part of Birmingham's calendar of major events and the National Great Run Series.</p> <p>The risk and liability for these events will be the responsibility for the supplier and no costs additional to those agreed with be payable.</p> <p>As part of the 2021/22 budget consultation, it was agreed to provide resources to continue with the Council's existing calendar of major events up until the 2022 Commonwealth Games. This included being part of the National Great Run Series of Events.</p>
What is the proposed procurement route?	To enter into single contractor negotiations with Nova International Ltd (t/a The Great Run Company).
What are the existing arrangements? Is there an existing contract? If so when does that expire?	There was a contract in place awarded under Chief Officer delegated authority that expired in 2020. No events have taken place since the expiry due to the Covid pandemic.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	<p>As a result of market investigations, there is only one organisation that capable meeting the Council's requirements of being part of a major national mass participation running event. The market for organising running event is extremely limited with most being operator of a small, local scale. The Great Run Company is the only operator of a major event providing access to a database of over 850,000 runners with the ability to offer an elite race and television coverage.</p> <p>The recommended supplier will be required to be a certified signatory to the BBC4SR and produce commitments proportionate to the value of this contract.</p>
Has the In-House Preferred Test been carried out?	Yes, and the test demonstrated this is not suitable to be carried out in-house as there is not the capacity or capability within the Council to deliver these events.
How will this service assist with the Council's commitments to Route to Zero?	This event will be a key part of delivering the Council's Route to Zero Agenda by encouraging healthier lifestyles by the promotion of running as an activity as an alternative form of transport.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	The Council is not under a statutory duty to provide mass participation running events. However, these events have formed part of the Council's Major Events programme and are set out within the Major Events Strategy.
What budget is the funding from for this service?	This service is funded from the approved Major Events Budget.
Proposed start date and duration of the new contract	The proposed start date is May 2022 for a duration of 4 years.

Title of Contract	SCN - Additional Works within the SPRINT and Metro Corridors
Director / Assistant Director	Philip Edwards, Assistant Director, Transport and Connectivity
Briefly describe the service required	<p>The provision of additional civil engineering works which fall directly within the Metro and Sprint projects corridors. These works are:</p> <ul style="list-style-type: none"> • Installation of remaining four white columns in Centenary Square. • Amendments to the footway and carriageway at Park St, Digbeth and Allison Street to improve the public realm, pedestrian facilities and bus stop provision. • Reinstallation of the Iron Man, statue in Victoria Square • WMCA Cross-city bus proposals - Amendments to Lyon Queensway, Cambridge Street and Great Charles Street Queensway/Summer Row, providing bus priority and/or bus stop infrastructure, that facilitate proposed changes to bus routes <p>A contract will not be entered into on any of these projects unless the appropriate approvals are in place.</p>
What is the proposed procurement route?	To enter into single contractor negotiations with the West Midlands Combined Authority (WMCA).
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a new requirement.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	<p>The WMCA awarded an alliance contract to the Midland Metro Alliance (MMA) that is primarily for infrastructure works to support a tram network. The MMA is a partnership and not a contracting entity therefore in order to access the arrangement, a contract is required to be entered into with the WMCA to be compliant with the Council's Constitution and Procurement Governance Arrangements. WMCA awarded a contract to McPhillips (Wellington) Ltd for the Sprint works which includes the Digbeth area.</p> <p>WMCA is best placed to manage the interface for the works with their Metro and Sprint schemes that will mitigate risk. This requirement is not being tendered as this may result in different contractors with different specifications that do not match the adjoining Metro and Sprint schemes.</p> <p>WMCA is a certified signatory to the BBC4SR and will be required to produce actions proportionate to the value of this contract</p>
Has the In-House Preferred Test been carried out?	Yes, and as this is a one-off contract for works, the test demonstrated this is not suitable to be carried out in-house as the organisation does not have the capability to directly deliver infrastructure works.
How will this service assist with the Council's commitments to Route to Zero?	The works at Digbeth and Paradise support the use of public transport and walking. The lighting columns are feature of the square but also improve public safety and confidence thereby encouraging more walking and cycling.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	There is not a statutory duty for this service. However, works will assist with the improvement of the public realm and transport provision.
What budget is the funding from for this service?	<p>The funding will be from the following budgets:</p> <ul style="list-style-type: none"> • Installation of remaining four white columns – Centenary Square public realm scheme • Amendments to the footway and carriageway at Park St, Digbeth and Allison Street – Beorma scheme, developer contributions • Reinstallation of the Iron: man statue – City Centre Public Realm Scheme • WMCA Cross-city bus proposals – WMCA Cross-city bus funding <p>Entering into contract will be subject to gaining the necessary approvals on funding.</p>
Proposed start date and duration of the new contract	All works would be undertaken in the period between August 2021 and June 2022.

Title of Contract	Accommodation and Support to Address Homelessness at Point of Discharge
Director / Assistant Director	Graeme Betts – Director Adult Social Care
Briefly describe the service required	Accommodation is required to provide a safe space, enablement beds and mental health provision for people who are homeless at the point of discharge from hospital. The service will provide additional support for these individuals to assist with addressing their long-term housing needs.
What is the proposed procurement route?	An open procurement exercise will be undertaken advertised in the Find a Tender, Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	There is a current contract with Claremont Living which expires on the 31 st March 2022.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable.
Has the In-House Preferred Test been carried out?	Yes, and as this is a contract for accommodation and support services that the Council does not have direct access to and so cannot be delivered in house.
How will this service assist with the Council's commitments to Route to Zero?	The contract specification will require providers to install and maintain equipment and white goods with an energy efficiency rating of B or above and provide accommodation with an overall efficiency rating of C (or B) or above.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	There is not a statutory duty to provide this service. However, the service is required to ensure that the Council is able to deliver the Hospital Discharge Service: Policy and Model.
What budget is the funding from for this service?	The service will be funded from the Adult Social Care budget.
Proposed start date and duration of the new contract	The proposed start date is 1 st April 2022 for a period of 5 years with an option to extend for a further 2 years subject to budget availability and satisfactory performance.

Title of Contract	Professional Support Services to develop the Our Future Delivery Plan (OFCP)
Director / Assistant Director	Simon Delahunty-Forrest, Acting Assistant Director, Development
Briefly describe the service required	<p>'OFCP – Central Birmingham Framework 2040' will replace the existing Big City Plan with a new vision for the central area of the city to help deliver new homes, jobs and commercial development. The Draft Central Framework 2040 is now being produced and expert advice is required:</p> <ul style="list-style-type: none"> • To sense check the Framework and assure it's in accordance with relevant Government guidance; • To provide technical advice on issues such as financial viability, sustainability and design. • To create delivery plans for the central renewal areas, including detailed feasibility studies and outline designs for the development of key sites. • Negotiating with partner agencies, developers and other stakeholders on major projects to ensure proposals are appropriate and deliverable. • To draft business cases and funding strategies to take projects forward.
What is the proposed procurement route?	A further competition exercise will be undertaken using the Council's existing Transportation and Planning Professional Services Framework agreement.
What are the existing arrangements? Is there an existing contract? If so when does that expire?	This is a new requirement.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable.
Has the In-House Preferred Test been carried out?	Yes, and it demonstrated there is not the relevant expertise or capacity in-house to undertake this work.
How will this service assist with the Council's commitments to Route to Zero?	The service to support the OFCP will be a key part of delivering the Council's Route to Zero Agenda by developing proposals which reduce traffic, create more green spaces and encourage sustainable development and transport.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	There is not a statutory duty for this service. However, works will assist with the delivery of inclusive growth and the improvement of the public realm and transport provision.
What budget is the funding from for this service?	Resources have been approved from the Council's Transformation Fund.
Proposed start date and duration of the new contract	The contract will start in October 2021 for a duration of 8 months.

Title of Contract	Framework Agreement for the Provision of Home Support for Adults in Prison at HMP Birmingham
Director / Assistant Director	Louise Collett, Assistant Director Commissioning
Briefly describe the service required	There is a requirement for the delivery of care and support for service users in HMP Birmingham. The contract will support service users to achieve their identified outcomes in order to improve their independence and ability to self-manage and to achieve and maintain their desired potential in relation to their physical, intellectual, emotional and social capacity.
What is the proposed procurement route?	Due to the nature of the requirement a light touch procurement exercise in line with Regulations 74-77 of the public contract regulations will be undertaken advertised in the Find a Tender, Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	The existing contract expires on 31 st January 2022.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable.
Has the In-House Preferred Test been carried out?	Yes, and the test demonstrated this is not suitable to be carried out in-house. Delivering care and support in a Prison means working in a very specialised and intimidating environment. The Council would have the ability to provide the two carers required and would have the ability to deliver the level of care required. The Council would not however be able to commit to a small, dedicated team providing care and support to persons in Prison. Continuity of care by a small number of carers needs to be guaranteed in order to maintain trust with the Prison authorities and in order that the established and lengthy access and egress procedures that need to be followed in order to get 'in' and 'out' of a Prison are administered effectively.
How will this service assist with the Council's commitments to Route to Zero?	The specification will require the service to be delivered in a way that reduces the carbon footprint, in particular with regards to aggregating transport needs where more than one carer needs to travel to HMP Birmingham.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	There is a statutory duty for this service under Section 76 of The Care Act 2014 that sets out the responsibilities for the provision of care and support for adult prisoners and people residing in approved premises (which includes bail accommodation). Where it appears that adults in prison or approved premises have needs for care and support, they should have their needs assessed by the local authorities and where they meet eligibility criteria; have services provided by the local authority. In essence prisoners are entitled to receive the same access and provision of services as if they were a member of the local community.
What budget is the funding from for this service?	This is funded from the Adult Social Care placements budget.
Proposed start date and duration of the new contract	The proposed start date is 1 st February 2022 for a period of 5 years.

Title of Contract	Concrete Liners for Burials
Director / Assistant Director	Paul Lankester, Interim Assistant, Director Regulation and Enforcement
Briefly describe the service required	There is a requirement for the works to supply and install concrete liners for burials which are mainly utilised by the Muslim Community for burials. There has been a significant increase in usage recently and it is estimated that around 500 concrete liners per annum will need to be installed.
What is the proposed procurement route?	An open procurement exercise will be undertaken advertised in Find a Tender, Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	The existing contract the expires on 30 th September 2021 was awarded under Chief Officer delegated authority.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable.
Has the In-House Preferred Test been carried out?	The in-house preferred test has been undertaken and demonstrates that this service is not suitable for delivery in-house due to a lack of resources and the inability to manufacture the liners in house.
How will this service assist with the Council's commitments to Route to Zero?	This specification will include a requirement that concrete liners are constructed to ensure that they meet the latest environmental standards.
Is the Council under a statutory duty to provide this service? If not what is the justification for providing it?	There is not a statutory duty for this service. The justification for providing concrete liners for this type of burial is the requirement that the Council caters for all communities regarding their preferred method of disposal of the deceased. Not providing this method of burial will result in communities seeking alternative sites across the city's boundaries and will result in a loss of income and failure to satisfy the needs of the citizens of Birmingham.
What budget is the funding from for this service?	This is funded from the Bereavement Services approved budget.
Proposed start date and duration of the new contract	The proposed start date is 1 st October 2021 for a period of 4 years.

Title of Contract	Estate Agency Service for Birmingham Municipal Housing Trust (BMHT)
Director / Assistant Director	Ian McLeod, Acting Director Inclusive Growth
Briefly describe the service required	<p>An estate agency service to manage the sale of new build properties across four BMHT housing schemes. The tender will be undertaken in three lots based on the geography of the sites.</p> <ul style="list-style-type: none"> • Lot 1 = Monmouth Road and Long Nuke Road, Bartley Green (86 sales units) • Lot 2 = Birchfield Road, Birchfield (18 sales units) • Lot 3 = Abbeyfields, Erdington (19 sales units) <p>The service will be for the following: advertise units for sale and negotiate the sales price; manage client relationships from reservation to sales completion; monitor progress of the sale and working with the build contractor ensuring safe access to sites, manage the handover process and stock properties.</p>
What is the proposed procurement route?	An open procurement exercise will be undertaken advertised in the Find a Tender, Contracts Finder and www.finditinbirmingham.com
What are the existing arrangements? Is there an existing contract? If so when does that expire?	There is no existing contract in place for this service.
If single /multiple contractor negotiations are proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not Applicable.
Has the In-House Preferred Test been carried out?	Yes, and the test demonstrated that this service is not suitable to be undertaken in-house as there are not the skills or experience available to sell properties.
How will this service assist with the Council's commitments to Route to Zero?	The specification will include the requirement to minimise travel wherever practical to sell the properties by an increased use of social media.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	The Council is not under a statutory duty to provide the estate agency service. However, this is an essential requirement to assist the Council in its sale of properties developed as part of its duty to deliver social housing; thus, subsidising its investment.
What budget is the funding from for this service?	The service is funded from the Housing Revenue Account.
Proposed start date and duration of the new contract	The proposed start date is November 2021 for the duration of 4 years.

Title of Contract	Addressing the backlog in Deprivation of Liberty Safeguard (DOLS) assessments in preparation for the implementation of Liberty Protection Safeguards (LPS)
Director / Assistant Director	Balwinder Kaur, Assistant Director, Adult Social Care.
Briefly describe the service required	<p>The main impetus, for seeking to address the issue of the backlog now is the introduction of Liberty Protection Safeguards (LPS).</p> <p>LPS is a new statutory framework for protecting those who lack capacity and are deprived of their liberty in all settings. This represents a fundamental change in how people in receipt of care and who lack capacity are protected. LPS is due to replace DOLS in April 2022, although it is anticipated that there may be a delay until next September 2022.</p> <p>LPS is intended to be a more proportionate system for protecting people in all settings who are deprived of their liberty</p> <p>There may not be the same understanding of the pressures on Local Authorities (LAs) when LPS is introduced, as there has been with DOLS. The legacy of the Council's 2000 referrals still requiring assessments could compromise the successful introduction of LPS.</p> <p>Recent LGO findings and legal challenges in other LAs suggests that the risks (financial and reputational) of not addressing the DOLS backlog are increasing. These risks will be heightened if there is a legacy of DOLS assessments when LPS is implemented. It is not yet possible to fully scope the additional pressures that LPS will create as we are still awaiting the Department of Health guidance.</p> <p>The purpose of this service will be to complete approximately 1400 outstanding DOLS assessments. The supplier will provide management oversight and quality control of the assessments completed, prior to them being passed back to the LA for authorization.</p> <p>The 1400 assessments are to be completed over a 10-month period possibly longer. The extended duration of the project is intended to prevent pressures building in other stages of the DOLS process i.e. securing the required medical reports and the authorization of the deprivation of liberty. Risks of legal challenge, the consequent costs and the damage to Birmingham City Council's reputation will be reduced as this work progresses.</p>
What is the proposed procurement route?	A Light Touch Open Procedure will be undertaken. The opportunity will be advertised in Find a Tender, Contracts Finder and www.finditinbirmingham.com .
What are the existing arrangements? Is there an existing contract? If so when does that expire?	DOLS assessments are completed by a team of Best Interest Assessors (BIAs) directly employed by Adult Social Care. There is currently no contract with another organisation to support with this function.
If single /multiple contractor negotiations is proposed, what is the reason for not tendering the requirement, how do we ensure value for money and compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR)?	Not applicable.
Has the In-House Preferred Test been carried out?	<p>Yes. There are currently approximately 2000 DOLS assessments outstanding. DOLS assessments must be completed by a BIA. There is not the capacity within the pool of available BIAs to clear the backlog of assessments. It is estimated that approximately 600 of the assessments could be completed by offering the BIAs overtime.</p> <p>It is not suitable to recruit additional BIAs for the following reasons:</p>

	<ul style="list-style-type: none"> • The BIA role will become redundant when LPS is introduced. • The Council has no plans to offer further BIA training courses because of the above. • Given the Council's challenges around recruitment, it is highly unlikely that Adult Social Care would be able to temporarily recruit suitably qualified BIAs in sufficient numbers to complete the backlog project in the time available. • In the unlikely event of the numbers of BIAs required being available there would then be a need to secure additional management capacity within the DOLS Team to oversee their work.
How will this service assist with the Council's commitments to Route to Zero?	As the assessments are in the main conducted remotely as desktop activities. the service does not generate carbon emissions.
Is the Council under a statutory duty to provide this service? If not, what is the justification for providing it?	Yes. Since 2007 Local Authorities have been required to implement the Mental Capacity Act (MCA) 2005 Deprivation of Liberty Safeguards (DOLS). The Act provides the statutory framework within which Local Authorities must authorise the Deprivation of Liberty of people who reside in care homes or in hospital and who lack capacity to make decisions for themselves. Local Authorities act as the Supervisory Body under the MCA.
What budget is the funding from for this service?	This is funded from Adult Social Care budget.
Proposed start date and duration of the new contract	The proposed start date is 1 st April 2022 for a duration of 1 year.



Resources O&S Committee: Work Programme 2021/22

Chair Councillor Mohammed Aikhlaq

Deputy Chair

Committee Members: Councillors David Barrie, Barbara Dring, Meirion Jenkins, Majid Mahmood, Shafique Shah, Paul Tilsley and Lisa Trickett

Committee Support: Scrutiny Team: Emma Williamson (464 6870) and Jayne Bowles (303 4810)
Committee Manager: Mandeep Marwaha (303 5950)

1 Terms of Reference

To fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning finance (including strategic finance, budget setting and financial monitoring); revenues and benefits; treasury management; council land use and property assets; human resources; contracting, commissioning and commercialisation.

2 Meeting Schedule

Date	Item	Officer contact
24 June 2021 1400 hours Informal Online Meeting Deadline for reports: 15 June 2021	Financial Outturn 2020/21	Rebecca Hellard, Interim Director of Council Management
	Implementation of the Council's Finance and HR Enterprise Resource Planning (ERP) System	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director
	CityServe Update	Alison Jarrett, AD, Development and Commercial
22 July 2021 1400 hours Deadline for reports: 13 July 2021	Financial Monitoring 2021/22 - Quarter 1 / Month 3	Rebecca Hellard, Interim Director of Council Management
	ERP Update	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director
	New Ways of Working	Peter Bishop, Director of Digital and Customer Services/Robin Burton, Programme Manager – New Ways of Working



9 September 2021 1400 hours Deadline for reports: 31 August 2021	Financial Monitoring 2021/22 – Month 4	Rebecca Hellard, Interim Director of Council Management
	ERP Update	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director
7 October 2021 1400 hours Deadline for reports: 28 September 2021	Financial Monitoring 2021/22 – Month 5	Rebecca Hellard, Interim Director of Council Management
	ERP Update	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director
4 November 2021 1400 hours Deadline for reports: 26 October 2021	Financial Monitoring 2021/22 – Quarter 2/Month 6	Rebecca Hellard, Interim Director of Council Management
	ERP Update	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director
9 December 2021 1400 hours Deadline for reports: 30 November 2021	Financial Monitoring 2021/22 – Month 7	Rebecca Hellard, Interim Director of Council Management/Sara Pitt, AD, Service Finance
	ERP Update	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director
20 January 2022 1400 hours Deadline for reports: 11 January 2022	Financial Monitoring 2021/22 – Month 8	Rebecca Hellard, Interim Director of Council Management
	ERP Update	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director



10 February 2022 1400 hours Deadline for reports: 1 February 2022	Financial Monitoring 2021/22 – Quarter 3/Month 9	Rebecca Hellard, Interim Director of Council Management
	ERP Update	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director
24 March 2022 1400 hours Deadline for reports: 15 March 2022	Financial Monitoring 2021/22 – Month 10	Rebecca Hellard, Interim Director of Council Management
	ERP Update	Rebecca Hellard, Interim Director of Council Management/Peter Bishop, Director of Digital and Customer Services/James Couper, ERP Programme Director
28 April 2022 1400 hours Deadline for reports: 19 April 2022		

3 Items to be programmed

- 3.1 Planned Procurement Activities Report to be a standing item on all meeting agendas
- 3.2 Long Term Debt Strategy

4 Other Meetings

Inquiry: Procurement and Contract Management

8 April 2021 Informal Session

Call-in

Petitions

None scheduled

Councillor Call for Action requests

None scheduled



5 Forward Plan for Cabinet Decisions

008987/2021	MTFP Update	27 Jul 21
009010/2021	MTFP Refresh	09 Nov 21
009031/2022	Draft Financial Plan 2022-2026	08 Feb 22

Leader		
009033/2021	Financial Monitoring Report Quarter 1 2021/22	27 Jul 21
007538/2020	Disposal of Surplus Properties	27 Jul 21
008307/2021	Perry Barr Regeneration Scheme – Full Business Case Update	27 Jul 21
008632/2021	Property Strategy: Asset Review – Birmingham City Property Company	27 Jul 21
008894/2021	Sale of land at Lawson Street, Birmingham B4 7AT	07 Sep 21
008303/2021	Asset Review – Multi-storey car park, Brunel Street, Birmingham	07 Sep 21
007884/2020	Proposed Compulsory Purchase Order – Digbeth & Allison Street, Birmingham for the Beorma Quarter Development	09 Nov 21
009034/2021	Financial Monitoring Report Quarter 2 2021/22	09 Nov 21
008971/2021	Sale of 1 Lancaster Circus, City Centre	09 Nov 21
009030/2022	Business Rates Income 2022/23	18 Jan 22
009035/2022	Financial Monitoring Report Quarter 3 2021/22	08 Feb 22

Deputy Leader		
008892/2021	New Ways of Working Enhanced Business Case	27 Jul 21

Cabinet Member for Finance and Resources		
008907/2021	Gas and Power Procurement Strategy	27 Jul 21
009141/2021	New build depot for the relocation of Montague Street and Redfern Road Depots (Atlas Works)	12 Oct 21

Cabinet Member for Street Scene and Parks		
007349/2020	Waste Vehicle Replacement Programme	12 Oct 21

Cabinet Member for Transport and Environment		
009037/2021	Highway Maintenance and Management PFI Contract	12 Oct 21