

BIRMINGHAM CITY COUNCIL

CO-ORDINATING OVERVIEW AND SCRUTINY COMMITTEE

FRIDAY, 13 OCTOBER 2023 AT 10:00 HOURS
IN COMMITTEE ROOMS 3 & 4, COUNCIL HOUSE, VICTORIA
SQUARE, BIRMINGHAM, B1 1BB

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 Public-I microsite ([please click this link](#)) 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 DECLARATIONS OF INTERESTS

Members are reminded they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at this meeting.

If a disclosable pecuniary interest is declared a Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If other registerable interests are declared a Member may speak on the matter only if members of the public are allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If it is a 'sensitive interest', Members do not have to disclose the nature of the interest, just that they have an interest.

Information on the Local Government Association's Model Councillor Code of Conduct is set out via <http://bit.ly/3WtGQnN>. This includes, at Appendix 1, an interests flowchart which provides a simple guide to declaring interests at meetings.

- 5 - 14** 4 **MINUTES**
- To confirm the public minutes from the Co-ordinating Overview and Scrutiny Committee meeting held on 15 September 2023.
- 15 - 16** 5 **CO-ORDINATING OVERVIEW AND SCRUTINY COMMITTEE ACTION TRACKER**
- To review and note the actions from previous Co-ordinating Overview and Scrutiny Committee meetings.
- 17 - 94** 6 **SCRUTINY OF DELIVERY OF 2023/24 BUDGET SAVINGS AND UPDATE ON COUNCIL'S RESPONSE TO SECTION 114 NOTICE AND FINANCIAL RECOVERY PLAN**
- This report sets out the red, amber, green (RAG) rated savings for 2023/24 and provides an opportunity to consider progress on delivery of savings during Quarter 2 and 3.
- This item also provides an opportunity to consider the implications of recent events (highlighted in Section 1) on the future scrutiny work programme.
- 95 - 118** 7 **BIRMINGHAM CITY COUNCIL COST OF LIVING PROGRAMME**
- To consider the attached report from the Cost of Living Scrutiny Task and Finish Group.
- 119 - 196** 8 **CO-ORDINATING OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME 2023/24**
- To consider the attached work programmes and to agree any updates / amendments.
- 9 **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).
- 10 **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.
- 11 **DATE AND TIME OF NEXT MEETING**
- To note that the next meeting will take place on 18 November 2023 at 1000 hours.

12 **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'.

BIRMINGHAM CITY COUNCIL

COORDINATING O&S COMMITTEE – PUBLIC MEETING

1200 hours on Friday 15th September 2023, Committee Rooms 3 and 4,

Council House, Victoria Square, B1 1BB

Action Notes

Present:

Councillor Albert Bore (Chair)

Councillors: Jack Deakin, Mohammed Idrees, Chaman Lal, Lee Marsham, Ewan Mackey, Morriam Jan, Alex Yip.

Also Present:

Janie Berry, Monitoring Officer

Fiona Greenway, Interim Director of Finance (Section 151 Officer)

Mohammed Sajid, Interim Head of Financial Strategy

Christian Scade, Head of Scrutiny and Committee Services

Ed Brown, Committee Officer

Richard Brooks, Director of Strategy, Equality & Partnerships (Online)

Wendy Griffiths, Assistant Director Customer Services and Business Support (Online)

Timothy Bell, Consultant - Corporate Finance (Online)

Gemma Malhi, Strategic Planning and PMO Manager (Online)

1. NOTICE OF RECORDING/WEBCAST

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2. APOLOGIES

Apologies were received from Councillors Akhlaq Ahmed, Mick Brown, Kerry Jenkins and Darius Sandhu.

3. DECLARATIONS OF INTERESTS

None.

4. ACTION NOTES – 14 July 2023

The Action Notes of the meeting on the 14 July were agreed.

RESOLVED:

- That the action notes of the formal meeting held on 14 July 2023 be approved as a correct record and signed by the Chair.

5. CO-ORDINATING OVERVIEW AND SCRUTINY COMMITTEE ACTION TRACKER

RESOLVED:

- That Action Tracker be noted

6. FINANCIAL CHALLENGES – SCRUTINY CONTRIBUTION TO THE BUDGET SAVINGS AND RECOVERY PLAN

The Chair introduced the report and it was highlighted that there was a need to think about how scrutiny interests in the budget saving plan would be taken forward.

In the ensuing discussion, the following issues were raised:

- In the public session of meeting of the Audit Committee directly preceding the meeting, the external auditor had announced that on the same afternoon, a statutory recommendation (Section 24, Schedule 7 of the Local Audit and Accountability Act 2014) would be issued to be formally put before the Council. This would require the Council to discuss the report and respond to it publicly. This would need to be considered alongside any other considerations arising from the meeting.
- There would be more than one statutory recommendation and there would be ten-days consultation prior to a response from the Council.
- It would be necessary to consider the implications once it was known what the recommendations were.
- The external auditor had suggested that the 2021/22 accounts be brought to conclusion. Further to this he was aiming to complete work on issues in terms of equal pay provision by October 2023 and in terms of the investment property classification the financial statements for the 2021/22 accounts by September 2023. As such there were some early conclusions in terms of what the external auditor would arrive at.

- Moreover, it was indicated by the external auditor that in terms of the equal pay issue, they were looking for an early decision from the Council Business Management Committee (CBMC) in relation to the job evaluation study that the Council was seeking to take forwards. The Chief Executive of the Council had responded at the Audit Committee that CBMC were looking to meet soon so that these issues could be revisited. This had implications in terms of how scrutiny related to the budget savings and recovery plan regarding the job evaluation and equal pay.
- An important point had arisen at the meeting of the Audit Committee around the use of earmarked reserves. It was intimated that a reason behind the Section 114 notice was due to an indication from the external auditor that there was an unreasonable level of equal pay risk in the 2021/22 accounts and the current information on equal pay liability had meant that it was necessary to have a level of provision higher than previously assumed, which had meant that the Section 151 Officer had needed to bring in the Section 114 notice.
- Regarding the 2022/23 accounts, a different level of earmarked and un-earmarked reserves was possible due to decisions taken in the meantime on the use of reserves, for example, on dealing with Oracle issues. This was highly relevant information as the level of reserves and General Fund balances were important when considering the 2023/24 budget deficit position.
- The statutory recommendations would be forwarded to the Leader or the Chief Executive or the Interim Director of Finance (Section 151 Officer). It was noted that the Interim Director of Finance (Section 151 Officer) would ensure that this information was forwarded to members.

Further points made during discussion included:

- A report on the Medium-Term Financial Plan was provided that set the scene on the current year's budget. At the previous meeting of the Committee, savings within the budget had been requested, not just high-risk savings, but also medium and low-risk. The Committee were informed of this on an Overview and Scrutiny basis. This was important as this was part of the gap for 2023/24. The Chair suggested that the Committee follow the lead of the Economy and Skills OSC in making the issue of Budget Savings and the Recovery Plan a standing item on Overview and Scrutiny Committees. The Coordinating OSC had a responsibility on arrangements to request all OSCs to include the issue as a standard item. This would bring the spotlight on what was happening regarding delivering savings.

- It was necessary to update the view of what should be in the workplans of OSCs to ensure added value from scrutiny, including the consideration of the savings agenda.
- There could be set of scenarios such that that the schedule of scrutiny meetings may not be compatible with business that needed to be considered and as such extra meetings might need to be added. It was requested that scrutiny Chairs keep on top of their agendas and work programmes should this be the case.
- A manual had been produced that provided information and guidance on the Section 151 Spend Control Board. In response to questions it was clarified that the first set of decisions would be published on CMIS early in the week commencing 18 September and would then be published weekly moving forward.
- It was requested that a scrutiny member be allowed to observe the Spend Control Boards for transparency. In response to this it was clarified that whilst this was not the usual practice, it could be considered.
- It was further requested that any decision made that was relevant to the OSCs be sent to the relevant Chair. In response to this it was clarified that once the decisions were published, they would be broken down by directorate so that the relevant decisions would be easy to identify on a daily basis, additionally, the remit of the OSCs was set out in a detailed way in the documentation.
- At the preceding meeting of the Audit Committee, the Chief Executive had indicated that a paper would be produced defining statutory and essential services. This was important regarding the decisions of the Spend Control Board.
- The Chief Executive had also stated at the preceding meeting of the Audit Committee that she intended to look at reshaping the services of the Council around the citizens. OSCs would be keen to look at the services reshaping and may have a view and as such would want to be aware.
- Other reviews were mentioned by the Chief Executive at the preceding meeting of the Audit Committee that might interest OSCs, such as the Capital Assets Review which would look at what the assets were and what their value was. This was important information for the Section 151 officer to balance the budget. There would also be a review of companies owned or part-owned by the Council. There would also be an income review.

- It was necessary to find a way of balancing the budget and also contribute to the equal pay liability. This would be reflected in a report to an extraordinary meeting of the Council on 25 September.
- OSCs would need to take account of the above in their work programmes. Further to this, there was a need to think about the role of Coordinating OSC as it might be better to consider some issues through Coordinating OSC so as to allow the other OSCs to focus on their aspects, particularly Finance and Resources OSC.
- Questions were raised as to whether statutory services could be legally defined or challenged.
- It was suggested that any governance review should focus on outcomes. It was further suggested that it was important to recognise why there was a governance review.
- It was necessary to hold discussions with the Chairs of the Audit Committee and OSCs on how to modify work programmes and if such modifications were necessary to ensure that value was added.

RESOLVED:-

- That the Budget Savings become a standing item on Overview and Scrutiny Committees.
- That the presence of a scrutiny member as an observer on the Spend Control Boards be considered.
- That discussion be held with the Chairs of the Audit Committee and OSCs on how to modify work programmes and if such modifications were necessary to ensure that value was added.

7. SCRUTINY WORK PROGRAMME 2022/23

The Chair introduced the report.

In the ensuing discussion, the following issues were raised:

- With regard to Appendix 1 of the Work Programme, the Savings Exercise was on the Work Programme for Coordinating OSC for October, this would be an opportunity to discuss the issue and understand the situation in terms of being on track with the savings programme.

- With regard to Appendix 2, the Cost-of-Living Task and Finish Group would be meeting with many representatives in one long session on 22nd September with a follow-up session on 28th September to consider with officers whether the draft report contained any matter that needed to be brought out. It was hoped to report to the Committee in October. There had been a change in membership with Cllr Yip being the Conservative representative for 22nd September and Cllr R Alden being the Conservative representative for 28th September. Cllr Jan would be the Liberal Democrat representative on 22nd September, and Cllr Wagg would be the Liberal Democrat representative on 28th September if available. It was suggested that the Terms of Reference be amended to refer to 'member (or nominee)'.

RESOLVED:-

- That the committee notes, and agrees, the updated Terms of Reference and membership for the Cost of Living Task and Finish Group.
- The Homes for Ukraine report was likely to be postponed for at least a month as the availability of officers was such that it could not be completed in time. The central issues of the Homes for Ukraine Task and Finish Group were the fundamental corporate processes and how communities could be worked with and how services were procured, these were issues that were relevant to the wider financial recovery plan. There was a need to become more efficient and effective. The possibility was raised of the issues in the Homes for Ukraine Task and Finish Group being brought into the issue of financial recovery.
- Issues were raised about the priorities of members given the issues faced by the Council.
- The Committee were assured that the Cost-of-Living Task and Finish Group could proceed, partly because it could be delivered by the programme team rather than being a corporate response led by the most senior officers in the Council, as was the case with the Homes for Ukraine Task and Finish Group. There was also internal audit resource looking at the Cost-of-Living programme.

Regarding Appendix 3 and the Work Programmes of the individual OSCs, the relevant Chairs commented:

Finance and Resources OSC

- The main issues had been Oracle, Equal Pay and Budget Recovery. An extra OSC was being held this month as there had not been sufficient time for officers to answer questions and provide information.
- Regarding Budget Monitoring, it was hoped that the Committee could have involvement on what came around the Section 114 notice.
- The Chair of Finance and Resources OSC was happy and content with the commentary and work by the members cross-party.
- A question was raised within the Committee regarding liability. The Chair suggested that all Councillors knew of the risk and questions should have been asked within the relevant committees as well as in Cabinet. As such, there was culpability across the Council. He further suggested that there was a problem with governance arrangements. The Centre for Governance and Scrutiny (CfGS) was looking at governance issues. The Coordinating OSC had governance as part of its remit, and it may be that the Committee should be doing something to direct thought towards what the failures in governance might be and to ensure that the CfGS pick up some of these matters.
- It was suggested that issues with Oracle had been discussed for some time, and it was further suggested that risk should be in every portfolio. It was also suggested that decisions by members had led to the current situation.

In response to questions about governance and decisions, the Chair made reference to the report of the external auditor regarding equal pay, he quoted:

“Our work in this area will:

- Independently assess the Council’s revised estimate of its current Equal Pay (EP) liability and consider the effectiveness of its emerging proposals to mitigate any further financial pressures;
- Consider the process that has recently been followed to arrive at the option for Job Evaluation (JE) ... and comment on the governance that has underpinned this current process;
- Examine the historical background to the issue since 2017, including the key decisions made that have driven liability since that time;
- Reflect on the adequacy of industrial relations arrangements in place between political leadership, management and the Trade Unions in the context of addressing the Council’s longstanding EP challenges.”

He further quoted in terms of Oracle that until certain matters were resolved:

“The Council is at risk of not having adequate governance arrangements in place to ensure that it can effectively discharge its statutory responsibilities and maintain its financial sustainability.

We have therefore determined that we need to undertake a review of the Oracle implementation.”

The Chair suggested that in these comments there was a focus on governance arrangements and suggested that the work programme could be amended to take up some of the issues that the external auditor raised.

Homes OSC

- There would be a meeting on 21 September on a single item looking at the Social Housing Regulation Bill and the Housing Ombudsman’s special report and the issues highlighted and observations made.
- It would also look at Budget Savings and the Recovery Plan and there may be some scope to achieve these around temporary accommodation or better delivery.
- It would also be looked at how homelessness could be reduced.
- A Task and Finish Group looking at repairs had been set up and the Terms of Reference would be agreed at the next meeting.
- In October there would be a report on exempt accommodation.
- Budget savings would be considered at every meeting.
- In response to a question on what was thought to be a statutory service, the Chair of the Homes OSC responded that it was necessary to deliver a service for tenants. As such it was important to look at the Housing Ombudsman findings and the Social Housing Regulation Bill as it was the Council’s responsibility as a social landlord.

Sustainability and Transport OSC

- There had been a private briefing session ahead of the PFI contract going to Cabinet and the Sponsorship Board which allowed the Committee time to Scrutinise and feed back. The Chair of Sustainability and Transport OSC was satisfied that the feedback had been taken on board.

- The Chair of Sustainability and Transport OSC thanked the Committee for their work in August on the Task and Finish Group looking at active travel. It had concluded with an open round table.
- There would be a subsequent Task and Finish Group on parking enforcement and net zero once there was flexibility mindful of the Section 114 notice and service delivery.

Neighbourhoods OSC

- The Committee were looking at savings.
- Localisation was also being considered, the Leader would be attending and could relay his priorities.
- The recommendations for the Task and Finish Group on Cleaner, Greener Streets would be coming in.
- Fly tipping enforcements would be considered.
- Guidance was being awaited on what was and what was no statutory. It was known that a bin service was statutory, but not how often it needed to be.

The Chair clarified that a paper would be coming forward on what was statutory and what was not. Different Committees would be affected differently.

Economy and Skills OSC

- The Head of Scrutiny and Committee Services updated the Committee on the Economy and Skills OSC.
- Budget savings would be a standing item.
- The Committee would also be monitoring the recommendations from the employment and skills enquiry.
- The Committee would be receiving an update on the local skills improvement plan at their October meeting.

RESOLVED:-

- That the Terms of Reference of the Cost of Living Task and Finish Group be amended to refer to 'member (or nominee)'.

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

There were no requests for Call In for Co-ordinating OSC.

9. OTHER URGENT BUSINESS

Cllr Jan made reference to an exempt 2017 Cabinet report on waste management.

RESOLVED:

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: -
(Paragraph 3)

It was established that the issues mentioned that arose from this report would be picked up in the consideration of Section 114 notice and by the External Auditor.

10. DATE AND TIME OF NEXT MEETING

It was noted that next meeting of the Co-ordinating Overview and Scrutiny Committee would be 13 October 2023.

The meeting ended at 13:28

**CO-ORDINATING OSC
ACTION TRACKER 2023/24**

	Date	Agenda Item	Action	Notes
1.	27 January 2023	Cabinet Member Social Justice, Community Safety & Equalities	The Cabinet Member agreed to meet with the Board of Deputies and the Jewish Leadership Council and will confirm if the letter was sent to the MPs when the definition was adopted and restate the message	IN PROGRESS Cllr Brennan has met with Leader and is now in the process of arranging visits with a number of faith leaders, including Board of Deputies and the Jewish Leaders and will circulate the letter. It is not possible to confirm that a letter was issued to MPs, but Cllr Brennan will circulate a letter following her visit.
2.	16 June 2023	Developing the Co-ordinating OSC Scrutiny Work Programme 2023/24	A short briefing note on OFLOG, and its functions and powers, to be produced once more is known about it.	IN PROGRESS The Head of Scrutiny and Committee Services will liaise with the AD Programmes, Performance and Improvement on this.
3.	14 July 2023	Co-ordinating OSC Work Programme 2023/24	That the issue of Equal Pay / Budget Recovery be included on the agenda for each OSC, perhaps as a standing item.	IN PROGRESS / ONGOING Following the July OSC meeting a workshop to assist with work in this area, facilitated by Ian Fifield, took place on 26 July 2023. Following this, further discussions will be required to help develop a timetable and action plan for scrutiny activity, especially over the autumn period.
4.	15 Sept 2023	Financial Challenges – Scrutiny Contribution	That the presence of a scrutiny member as an observer on the Spend Control Boards be considered.	IN PROGRESS

5.	15 Sept 2023	Financial Challenges – Scrutiny Contribution	Interim Director of Finance (Section 151 Officer) to ensure that information on statutory recommendations is forwarded to members.	IN PROGRESS / ONGOING
7.	15 Sept 2023	Financial Challenges – Scrutiny Contribution	Discussion be held with the Chairs of the Audit Committee and OSCs on how to modify work programmes and if such modifications are necessary to ensure that value was added in the context of financial challenges.	IN PROGRESS

Birmingham City Council

Co-ordinating Overview and Scrutiny Committee

Date 13 October 2023



Subject: Scrutiny of Delivery of 2023/24 Budget Savings and Update on Council's Response to Section 114 Notice and Financial Recovery Plan

Report of: Christian Scade, Head of Scrutiny and Committee Services

Report author: Sarah Fradgley, Overview and Scrutiny Manager
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0121 303 1727

1 Purpose

- 1.1 It was agreed at Co-ordinating Overview and Scrutiny Committee on 15 September 2023 that all O&S Committees will continue to scrutinise the delivery of existing 2023/24 savings. Appendix 1 sets out the red, amber, green (RAG) rated savings for 2023/24 by Committee and Directorate at the end of Quarter 1. Appendix 2 sets out the progress on delivery of savings during Quarter 2 and 3.
- 1.2 This agenda item also provides an opportunity for the Committee to consider the following and implications for the Committee's work programme:
- The report considered at City Council on 25 September on the Council's Response to the Section 114 Notice and Financial Recovery Plan.
 - The announcement made by the Secretary of State for the Department of Levelling Up, Housing and Communities in the House of Commons on 19 September and the Section 5 Notice and supplementary Section 114 Notice issued on 21 September.
- 1.3 To assist with the task above the Scrutiny Team are in the process of contacting other authorities with similar experiences. Feedback on themes identified will be provided at the meeting.

2 Recommendations

The Committee:

- 2.1 Notes the Quarter 1 2023/24 savings set out in Appendix 1.

2.2 Receives the update for Q2 / Q3 attached as Appendix 2 and examines progress on delivery of the 2023/24 savings within the remit of the Committee's terms of reference (outlined in the [Council's Constitution, Part B, section 11.5](#)) and agrees any comments.

2.3 Considers the implications of recent events (highlighted in Section 1) on the scrutiny work programme.

3 Any Finance Implications

3.1 Financial implications are set out in the relevant appendices.

4 Any Legal Implications

4.1 Legal implications are set out in the relevant appendices.

5 Any Equalities Implications

5.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

5.2 The protected characteristics and groups outlined in the Equality Act are: Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion and Belief; Sex, and Sexual Orientation.

5.3 The Committee should ensure that it addresses these duties by considering them during work programme development, the scoping of work, evidence gathering and making recommendations. This should include considering: How policy issues impact on different groups within the community, particularly those that share a relevant protected characteristic; Whether the impact on particular groups is fair and proportionate; Whether there is equality of access to services and fair representation of all groups within Birmingham; Whether any positive opportunities to advance equality of opportunity and/or good relations between people are being realised.

5.4 The Committee should ensure that equalities comments, and any recommendations, are based on evidence. This should include demographic and service level data and evidence of residents/service-users views gathered through consultation.

6 Appendices

- 6.1 Appendix 1: 2023/24 Savings Q1 Position by O&S Committee
- 6.2 Appendix 2: Update on Delivery of 2023/24 Savings During Q2 and Q3 by O&S Committee
- 6.3 Appendix 3: Council's Response to the Section 114 Notice and Financial Recovery Plan
- 6.4 Appendix 4: Birmingham City Council, Letter to Chief Executive 19 September
- 6.5 Appendix 5: Section 5 Report - 21 September
- 6.6 Appendix 6: Supplementary Section 114 Notice – 21 September

23/24 Savings Q1 Position by O&S Committee**Summary**

Savings by OSC Portfolio	Delivered	Low Risk	Medium Risk	High Risk	TOTAL
Co-ordinating OSC				(14,851)	(14,851)
Economy and Skills OSC		(133)	(816)	(9,595)	(10,544)
Education, Children and Young People OSC			(4,465)	(6,000)	(10,465)
Finance and Resources OSC		(1,269)	(8,799)	1,457	(8,611)
Health and Adult Social Care OSC		(700)	(9,008)	2,000	(7,708)
Homes OSC		(502)	(592)	(5,500)	(6,594)
Neighbourhoods OSC		(19)	(4,837)	(990)	(5,846)
Sustainability and Transport OSC					
TOTAL		(2,623)	(28,517)	(33,479)	(64,619)

List of Savings Projects

Directorate	O&S Committee	Savings Description	2023/24 (Saving) £'000
Adult Social Care	Health and Adult Social Care OSC	Adults Transformation Programme.	(3,700)
Adult Social Care	Health and Adult Social Care OSC	Adult Packages of Care (Reversal of previous year one-off savings)	1,000
Adult Social Care	Health and Adult Social Care OSC	Income Collection (Reversal of previous year one-off savings)	1,000
Adult Social Care	Health and Adult Social Care OSC	3% Turnover factor (Vacancy management)	(2,850)
Adult Social Care	Health and Adult Social Care OSC	Special Impact team (SIT) complex case review accelerated and expanded to cover high cost packages	(500)
Adult Social Care	Health and Adult Social Care OSC	Case load packages Review	(200)
Adult Social Care	Health and Adult Social Care OSC	Looking at ways to enhance ICS/CCG partnership to harness pooled resources more efficiently eg BCF Inflation	(1,000)
BCT	Education, Children and Young People	Children's Trust - Family and Friends Cars	(2,000)
BCT	Education, Children and Young People	Children's Trust - Stronger Families Programme	(3,000)
BCT	Education, Children and Young People	Children's Trust - Tackling Domestic Abuse to Support Families	(1,000)
Children & Families	Education, Children and Young People	Schools Balances	(328)
Children & Families	Education, Children and Young People	Education and Skill Early Retirement	(210)

Children & Families	Education, Children and Young People	3% Turnover factor (Vacancy management)	(1,921)
City Housing	Homes OSC	Reducing / Eradicating B&B Accommodation	(5,500)
City Housing	Homes OSC	3% Turnover factor (Vacancy management)	(502)
City Ops	Sustainability and Transport OSC	Street Work Permits	(100)
City Ops	Neighbourhoods OSC	Removal of Universal Superloos	(19)
City Ops	Co-ordinating OSC	Capitalise Salaries of Alexander Stadium Build (Reversal of previous year one-off savings)	40
City Ops	Co-ordinating OSC	Revenue Benefit from Capitalising the Cost of Indoor Track at Arena (Reversal of previous year one-off savings)	150
City Ops	Neighbourhoods OSC	3% Turnover factor (Vacancy management)	(3,307)
Corporate Items	Co-ordinating OSC	Localities / Public Hub (Savings from implementation of EIP Model)	(2,500)
Corporate Items	Co-ordinating OSC	BCC Target Operating Model Design Principles - Voluntary Workforce Savings Programme	(2,000)
Corporate Items	Co-ordinating OSC	B/F_BCC Target Operating Model Design Principles - Voluntary Workforce Savings Programme	(2,000)
Corporate Items	Finance and Resources OSC	Maximise the Use of Grant Funding – Identifying opportunities to use grant funding to fund existing GF spend releasing GF budgets for savings.	(1,000)
Corporate Items	Finance and Resources OSC	B/F_Maximise the Use of Grant Funding - Identifying opportunities to use grant funding to fund existing GF spend releasing GF budgets for savings.	(1,000)
Corporate Items	Finance and Resources OSC	Improvements in Debt Management – Review Debt Management Process with a view to improving collection and reducing bad debt.	(900)
Corporate Items	Finance and Resources OSC	B/F_Improvements in Debt Management – Review Debt Management Process with a view to improving collection and reducing bad debt.	(1,000)
Corporate Items	Co-ordinating OSC	Traded Services – Review of traded services with a view to greater commercialisation and reduced GF subsidy)	(1,500)
Corporate Items	Co-ordinating OSC	B/F_Traded Services - Review of traded services with a view to greater commercialisation and reduced GF subsidy)	(1,600)
Corporate Items	Finance and Resources OSC	Repayment of Borrowing Following Asset Disposal Resulting in Reduced Debt Management Costs (Reversal of one-off savings from previous years)	4,500
Corporate Items	Finance and Resources OSC	Release Highways policy contingency for one year – Accounting Adjustment (Reversal of one-off savings from previous years)	800
Corporate Items	Economy and Skills OSC	B/F_Corporate Landlord (Efficiencies in Asset Management through Consolidation and Rationalisation of Council Assets/ Buildings)	(500)
Corporate Items	Co-ordinating OSC	Automation – Use of Robotic Process Automation Technology to automate manual processes and reduce manual handling, leading to efficiencies in process and savings on time/resource required to deliver services.	(1,000)
Corporate Items	Co-ordinating OSC	B/F_Automation - Use of Robotic Process Automation Technology to automate manual processes and reduce manual handling, leading to efficiencies in process and savings on time/resource required to deliver services.	(850)
Corporate Items	Co-ordinating OSC	Reducing Workforce (Centres of Excellence) – Consolidation of similar roles and teams to reduce duplication of effort and achieve efficiency in resource/process	(1,791)

Corporate Items	Co-ordinating OSC	Automation (Voice Automation) – Use of voice automation technology to reduce volume of manual call handling, leading efficiencies and better customer services.	(1,000)
Corporate Items	Finance and Resources OSC	Automation (Oracle Optimisation) – Use of new oracle system to generate process efficiencies	(500)
Council Management	Finance and Resources OSC	Digital advertising on key assets to generate additional income	(200)
Council Management	Finance and Resources OSC	Operational Hub Programme – rationalisation of assets.	(161)
Council Management	Finance and Resources OSC	Application platform modernisation.	(11)
Council Management	Finance and Resources OSC	3% Turnover factor (Vacancy management)	(4,265)
Council Management	Finance and Resources OSC	Review all BCC leased properties and reduce cost of lease payments for assets	(460)
Council Management	Finance and Resources OSC	System Efficiencies	(600)
Council Management	Neighbourhoods OSC	Customer Services – Bereavement. Improvements in service design to deliver efficiencies	(460)
Council Management	Neighbourhoods OSC	B/F_Customer Services - Bereavement. Improvements in service design to deliver efficiencies	(250)
Council Management	Neighbourhoods OSC	Customer Services - Garden Waste. Introduce autorenewal and other process improvements to maximise levels of annual subscriptions.	(40)
Council Management	Neighbourhoods OSC	B/F_Customer Services - Garden Waste. Introduce autorenewal and other process improvements to maximise levels of annual subscriptions.	(40)
Council Management	Neighbourhoods OSC	Customer Services - Markets	(50)
Council Management	Neighbourhoods OSC	B/F_Customer Services - Markets	(50)
Council Management	Neighbourhoods OSC	Customer Services - Pest Control	(50)
Council Management	Neighbourhoods OSC	B/F_Customer Services - Pest Control	(50)
Council Management	Finance and Resources OSC	Development & Commercial - Digital advertising income and offer up of growth	(60)
Council Management	Finance and Resources OSC	Procurement - 2020/21 Expenditure Budget covered by funding	(106)
Council Management	Finance and Resources OSC	Audit - increase trading opportunities with Police, Housing Associations and Acivico	(60)
Council Management	Finance and Resources OSC	Finance - refinancing legacy systems	(700)
Council Management	Finance and Resources OSC	Personal Assistant Allocation - review use of Personal Assistant Support	(200)
Council Management	Finance and Resources OSC	Business Support Efficiencies	(50)

Council Management	Finance and Resources OSC	Customer Services Efficiencies	(50)
Council Management	Finance and Resources OSC	Review Human Resources Target Operating Model - reduce posts that are vacant	(170)
Council Management	Finance and Resources OSC	Human Resources reduce growth request in Medium Term Financial Plan (MTFP)	(113)
Place, Prosperity & Sustainability	Economy and Skills OSC	B/F_CAB Premises - excluding Council House. Reduced costs associated with Council Admin Buildings	(1,314)
Place, Prosperity & Sustainability	Economy and Skills OSC	CAB Premises - excluding Council House. Reduced costs associated with Council Admin Buildings	(2,431)
Place, Prosperity & Sustainability	Economy and Skills OSC	CAB Premises - Council House Commercialisation Income generation through improved commercial offer including banqueting and events.	(50)
Place, Prosperity & Sustainability	Economy and Skills OSC	Commercial Property - Lease Event Opportunities Review of commercial property leases – includes rent reviews and extension options	(600)
Place, Prosperity & Sustainability	Economy and Skills OSC	Commercial Property - Active Investment Additional income through investment in Public Works Loan Board (PWLB) compliant commercial property	(2,250)
Place, Prosperity & Sustainability	Economy and Skills OSC	Commercial Property - Blended Approach Investment and Lease Events Additional income generated through a combination of lease reviews and investment	(2,500)
Place, Prosperity & Sustainability	Sustainability and Transport OSC	Street Work Permits - moved directorate	100
Place, Prosperity & Sustainability	Economy and Skills OSC	3% Turnover factor (Vacancy management)	(666)
Place, Prosperity & Sustainability	Economy and Skills OSC	Review all £5-10k leases – with a view to optimising lease income.	(150)
Strategic Equals & Partnership	Finance and Resources OSC	3% Turnover factor (Vacancy management)	(116)
Strategic Equals & Partnership	Finance and Resources OSC	Efficiencies amongst non-staffing budgets	(116)
Corporate Items	Co-ordinating OSC	B/F_New Ways of Working_Fieldworker. Rolling out field worker module to allow staff working in the field to update host systems directly rather than returning to office to update	(800)
Adult Social Care	Health and Adult Social Care OSC	Fees & Charges 5%	(1,458)
Children & Families	Education, Children and Young People	Fees & Charges 5%	(2,006)
Council Management	Finance and Resources OSC	Fees & Charges 5%	(2,073)
City Ops	Neighbourhoods OSC	Fees & Charges 5%	(1,530)
City Housing	Homes OSC	Fees & Charges 5%	(592)
Place, Prosperity & Sustainability	Economy and Skills OSC	Fees & Charges 5%	(83)
		Total	(64,619)

Caveats:

- Many targets fit into multiple O&S portfolio, such as Fees & Charges, vacancy factor, thus for simplicity we have allocated to the O&S Committee where most of the target is more likely to fall.
- Some services also fall into more than one O&S portfolio – we have allocated the full target for these to the committee of higher alignment rather than split amounts.
- The total savings that need to be delivered in the 23/24 financial year may increase. Finance is currently working to close the 22/23 financial year accounts – this includes final assessment of savings delivery for the last financial year. Any further undelivered savings in 22/23 will need to be brought forward and found in 23/24 thereby increasing the overall target for 23/24.

Criteria for determining the RAG status of savings

Assessment Criteria	Delivered	Low Risk	Medium Risk	High Risk
Savings RAG	Saving or income realised and evidence provided that costs have been reduced or income increased.	Saving or income detail documented and robust plan in place to deliver agreed targets, showing when and who is responsible. - and / or - Saving / income will be delivered within agreed timeframes.	Saving or income lacks some clarity and / or not detailed at an adequately granular level, or at risk, but agreed plan in place to resolve and being actively managed. - and / or - Some risk of not delivering saving within agreed timeframe, leading to cost of slippage.	Limited confidence in agreed saving / income being delivered - and / or - Saving / income unclear and / or not specified at adequate granular level. - and / or - Inadequate plan / no plan agreed. - and / or - <i>Saving not yet agreed by Directorate / Service Manager</i> - and / or - Major risk of not delivering saving / income within agreed timeframe, leading to cost of slippage.
Headcount Example	Officer has departed, budget has been reduced and posts have been deleted from the approved establishment.	Timescales and the specific posts to be vacated / deleted have been agreed.	Budget Manager has confirmed that posts (to agreed value and timing) will be vacated and deleted from budget.	Headcount saving proposed, but no clarity RE timescales/ posts.

Appendix 2: Co-ordinating Committee - 23/24 Savings Position as at Q2

Summary

This report updates Co-ordinating OSC on the progress in delivering the 23/24 savings agreed in the MTF5 2023/26 that fall under this committee portfolio.

An extensive review process has been undertaken between Q1 and Q2 and the position reported below is as at Q2 (End of September 23).

Background

There are a number of savings proposals in 23/24 totalling £17.441m that fall under the committee portfolio and these are listed below on page 2 & 3.

Each area has been risk rated to indicate the current level of confidence in achieving each savings target either in-year during 23/24 or over the longer term MTF5 period 2023/26. Page 4 of this appendix explains the risk rating criteria.

Quarter 2 Position

Of the £17.441m, £2.400m is currently classified as Red and at high risk of non-delivery and the remaining £15.041m is Black indicating that the majority of these savings are highly unlikely to be delivered during 23/24.

The £2.400m at high risk is a 22/23 target associated with savings from IT&D service resign. The restructure/redesign of the service is currently underway but delays in concluding the restructure mean there is a risk that savings will not be realised in 23/24. Furthermore, some of the £2.400m was intended to be delivered through contract efficiencies which is also at risk due to higher than expected contract inflation.

The majority of the corporate cross cutting savings totalling £15.051m are within this committee portfolio and are assessed as unlikely to be realised in year during 23/24. A brief explanation of the reasons for why the savings cannot be realised in 23/24 are included in page 3 & 4 below. Work is underway to identify alternative in-year savings as part of the wider budget recovery work to mitigate the resulting budget gap and further updates on that work will be provided in due course.

Decisions will also need to be made around the longer term deliverability of these savings and where this is no longer possible they will need to be written off and longer term alternatives developed.

List of 23/24 Savings Projects & RAG status as at Q2

Directorate	OSC Portfolio	Summary Description	Delivery Risk In-Year 2023/24 (Saving) £'000	Delivery Risk Over MTFS (Saving) £'000
Council Management	Co-ordinating OSC	B/F_IT&D Service Redesign Information Technology and Digital Service Redesign Changing from the existing process-heavy operating model, to a leaner, more efficient way of working that is centred on users and focusses on the transformation needs of the Council. We will also be reviewing how we manage third party contracts and IT suppliers to reduce our ongoing costs and gain maximum value from those engagements, this will include a full review of business managed IT spend across the Council to maximise opportunities to standardise and decommission obsolete technologies.	(2,400)	(2,400)
		TOTAL	(2,400)	(2,400)
Corporate Items	Co-ordinating OSC	Localities / Public Hub (Savings from implementation of EIP Model)	(2,500)	(2,500)
Corporate Items	Co-ordinating OSC	BCC Target Operating Model Design Principles - Voluntary Workforce Savings Programme	(2,000)	(2,000)
Corporate Items	Co-ordinating OSC	B/F_BCC Target Operating Model Design Principles - Voluntary Workforce Savings Programme	(2,000)	(2,000)
Corporate Items	Co-ordinating OSC	Traded Services – Review of traded services with a view to greater commercialisation and reduced GF subsidy)	(1,500)	(1,500)
Corporate Items	Co-ordinating OSC	B/F_Traded Services - Review of traded services with a view to greater commercialisation and reduced GF subsidy)	(1,600)	(1,600)
Corporate Items	Co-ordinating OSC	Automation – Use of Robotic Process Automation Technology to automate manual processes and reduce manual handling, leading to efficiencies in process and savings on time/resource required to deliver services.	(1,000)	(1,000)
Corporate Items	Co-ordinating OSC	B/F_Automation - Use of Robotic Process Automation Technology to automate manual processes and reduce manual handling, leading to efficiencies in process and savings on time/resource required to deliver services.	(850)	(850)
Corporate Items	Co-ordinating OSC	Reducing Workforce (Centres of Excellence) – Consolidation of similar roles and teams to reduce duplication of effort and achieve efficiency in resource/process	(1,791)	(1,791)
Corporate Items	Co-ordinating OSC	Automation (Voice Automation) – Use of voice automation technology to reduce volume of manual call handling, leading efficiencies and better customer services.	(1,000)	(1,000)

Corporate Items	Co-ordinating OSC	B/F_New Ways of Working_Fieldworker. Rolling out field worker module to allow staff working in the field to update host systems directly rather than returning to office to update	(800)	(800)
		TOTAL	(15,041)	(15,041)

Narrative for 23/24 in-year Non-Delivery

Co-ordinating OSC

Dir	Summary Description	2023/24 (Saving) £'000	Explanation
Corporate	Localities / Public Hub (Savings from implementation of EIP Model)	(2,500)	A strategic partner is in place and the project is progressing however savings will take much longer to realise than anticipated. Much of the savings rely on disposal of existing assets or redesign of services which will not be in place by the end of this financial year.
Corporate	BCC Target Operating Model Design Principles - Voluntary Workforce Savings Programme (MARS)	(4,000)	MARS is live and at decision making stage. Potential savings in year (23/24) will be known mid October as well as ongoing savings. There is potential to improve on the savings target, pending decision making and financial approval of costs of exits.
Corporate	Traded Services – Review of traded services with a view to greater commercialisation and reduced GF subsidy)	(3,100)	An initial review identified the need to put in place a commercial team that would progress the review of traded services and implement a commercial strategy. Due to decisions around resourcing and funding the programme was paused.
Corporate	Automation – Use of Robotic Process Automation Technology to automate manual processes and reduce manual handling, leading to efficiencies in process and savings on time/resource required to deliver services.	(1,850)	The programme to deliver savings started in July 2023 and the first tranche of automations are forecast to be delivered by the end of December 2023. This will potentially provide one quarter of the annual savings from that tranche in Q4 (est. £200k - 300k). Going forward, work needs to be accelerated to identify and deliver higher value automations sooner. In addition, savings targets must also be applied to Directorate budgets in order to facilitate better engagement with the programme.
Corporate	Reducing Workforce (Centres of Excellence) – Consolidation of similar roles and teams to reduce duplication of effort and achieve efficiency in resource/process	(1,791)	Handed across from Adults on 1st August 2023, no discovery work has been completed to confirm the savings identified in MTFP. A paper will need to be taken to the next governance board to request funding to complete discovery work to confirm if savings are achievable or not

Corporate	Automation (Voice Automation) – Use of voice automation technology to reduce volume of manual call handling, leading efficiencies and better customer services.	(1,000)	Discovery work has been completed to validate the savings available which identified £250k in Yr 1 23/24. This requires proof of concept funding to be available which is currently going through the S151 spend control process to enable the tech purchase and installation to release the savings identified which are scalable upto £2m by year 3 25/56
Corporate	New Ways of Working_Fieldworker. Rolling out field worker module to allow staff working in the field to update host systems directly rather than returning to office to update	(800)	The functionality was initially piloted and then rolled out into a number of HRA services which has led to improved and efficient ways of working in those services. However, the savings need to come from general fund services and implementation of the IT functionality into general fund services has been delayed, partly due to the initial rollout into HRA services taking longer than anticipated.

Caveats:

- Many targets fit into multiple O&S portfolio, such as Fees & Charges, vacancy factor, thus for simplicity we have allocated to the O&S Committee where most of the target is more likely to fall.
- Some services also fall into more than one O&S portfolio – we have allocated the full target for these to the committee of higher alignment rather than split amounts.
- The total savings that need to be delivered in the 23/24 financial year may increase. Finance is currently working to close the 22/23 financial year accounts – this includes final assessment of savings delivery for the last financial year. Any further undelivered savings in 22/23 will need to be brought forward and found in 23/24 thereby increasing the overall target for 23/24.

Criteria for determining the RAG status of savings

Assessment Criteria	Delivered	Low Risk	Medium Risk	High Risk	Potential Write-Off
Savings RAG	Saving or income realised and evidence provided that costs have been reduced or income increased.	Saving or income detail documented and robust plan in place to deliver agreed targets, showing when and who is responsible. - and / or - Saving / income will be delivered within agreed timeframes.	Saving or income lacks some clarity and / or not detailed at an adequately granular level, or at risk, but agreed plan in place to resolve and being actively managed. - and / or - Some risk of not delivering saving within agreed timeframe, leading to cost of slippage.	Limited confidence in agreed saving / income being delivered - and / or - Saving / income unclear and / or not specified at adequate granular level. - and / or - Inadequate plan / no plan agreed. - and / or - <i>Saving not yet agreed by Directorate / Service Manager</i> - and / or - Major risk of not delivering saving / income within agreed timeframe, leading to cost of slippage.	Agreed saving cannot be delivered. - and / or - Alternative saving options to be identified. - and / or - CLT should consider writing off the agreed saving.
Headcount Example	Officer has departed, budget has been reduced and posts have been deleted from the approved establishment.	Timescales and the specific posts to be vacated / deleted have been agreed.	Budget Manager has confirmed that posts (to agreed value and timing) will be vacated and deleted from budget.	Headcount saving proposed, but no clarity RE timescales/ posts.	Headcount reduction is considered unachievable.

Birmingham City Council**City Council**25th September 2023

**Subject: Response to Section 114 Notice –
Financial Recovery Plan**

Report of: Deborah Cadman, Chief Executive

**Report author: Richard Brooks, Director of Strategy, Equality &
Partnerships**

Does the report contain confidential or exempt information? Yes No

1 Executive Summary

- 1.1 On 5th September, the Section 151 Officer (Interim Director of Finance) issued a notice under Section 114 of the Local Government Finance Act 1988. The Council must now agree and implement a Financial Recovery Plan which balances our expenditure with our income, and funds or finances our liabilities. Our work to address the situation must be urgent, will involve hard choices about what we deliver and how we operate, and will result in a smaller organisation.
- 1.2 This report sets out the elements of our Financial Recovery Plan and how these are being taken forward. Further reports and decisions will be required as the detail is developed, including on savings and a revised Emergency Budget for 2023/24; on asset disposals; on redesigning our organisation to achieve a sustainable Medium Term Financial Plan; and on generating additional income. The Council is likely to require Exceptional Financial Support from government, including agreement to

capitalise some of our revenue liabilities and repay the associated borrowing over a period of time.

- 1.3 Developing our full Financial Recovery Plan must proceed quickly. Given the scale of the challenge, implementation is likely to be lengthy and there will need to be an extended period of rigorous spending control and tight financial constraint. We must find the best possible ways of working more effectively with our partners and more efficiently as an organisation. Throughout this we must remain focused above all on our citizens, protecting our vulnerable residents and communities, and must always put their needs first.

2 Recommendations

2.1 Full Council is recommended to:

- I. Agree to accept the Section 114 notice issued on 5th September 2023 and the views set out within it, as described in section A below and Appendix 1.
- II. Agree to continue Spending Control measures under the direction of the Section 151 Officer until such date as the Council has passed an approved balanced Budget for 2024/25, as described in section B below and Appendix 2.
- III. Endorse the following activity now underway as part of our Financial Recovery Plan and described in section C below:
 - a. Measures to reduce spending and mitigate budget pressures for 2023/24, leading to a revised Emergency Budget for 2023/24.
 - b. Organisational Redesign work to reshape our services around citizens and within our available resources, to inform the 2024/25 Budget and deliver a balanced MTFP.
 - c. A Capital Strategy and Assets Review to identify options to raise funds and minimise borrowing costs.
 - d. A review of council-controlled companies and traded services to identify options to raise funds, reduce costs and reduce risk.
 - e. An Income Review to maximise sustainable income from all sources, including Business Rates, Council Tax, Grants and other income.

- f. Measures to achieve pay equity and stop the growth of our equal pay liability, including work to reduce the value of the potential liability and fund the actual liability.
 - g. Formal dialogue with DLUHC to explore options for Exceptional Financial Support, including potential capitalisation of revenue liabilities.
- IV. Agree to receive a further report and revised Emergency Budget for 2023/24 at an Extraordinary Council Meeting in late October; to note equalities considerations; to involve Overview & Scrutiny Committees; and to undertake public consultation and engagement as described below in section D below.

3 Background, considerations and proposals

A. Section 114 Notice

- 3.1 On 5th September, the Section 151 Officer (Interim Director of Finance) issued a notice under Section 114 of the Local Government Finance Act 1988. This was on the basis of a potential liability relating to Equal Pay claims in the region of £650m to £760m. The Council does not have sufficient resources to cover this potential liability.
- 3.2 In addition, the Council has also identified a budget shortfall for the current financial year (2023/24) of £87m, which is projected to rise to £165m in 2024/25; £177m in 2025/26, £172m in 2026/27 and £180m in 2027/28. These recurrent budget gaps highlight the seriousness of the underlying financial challenges faced by the council in addition to its potential Equal Pay liability.
- 3.3 Birmingham City Council set a budget for net expenditure of £925m in 2023/34. The scale of our financial challenge, and especially our potential Equal Pay liability, is large relative to the organisation's budget.
- 3.4 At the time the Section 114 notice was issued, the Council had moved into a negative General Fund position. In addition, the Council was not able to agree a solution for funding or financing its liabilities. For these reasons the Section 151 Officer was required in line with their statutory responsibilities to issue the Section 114 notice. **Members are recommended to consider the notice at Appendix 1 and accept it and the views expressed within it.**

- 3.5 Our work to address the situation must be urgent, will involve hard choices about what we deliver, how we operate, and the shape and size of the organisation. The Council acknowledges that the current situation will create uncertainty and in some cases disruption, and unreservedly apologises. It is committed to ensuring that citizens, partners and our own staff are regularly updated on the current situation and its future implications.
- 3.6 These serious challenges will not diminish the Council's ambition in supporting the upward trajectory of the City of Birmingham. Record levels of investment continue to flow into the city, and the Council will work with our partners to ensure this remains the case.
- 3.7 The Council also remains committed to working with key stakeholders in our diverse communities across the city, taking full account of equalities issues, and using all possible means to mitigate the impacts of the current cost of living crisis on our most vulnerable citizens.

What the Council needs to do, as a result of the Section 114 notice

- 3.8 Only approve new spending if it is essential during the period in which the restrictions brought in by the Section 114 notice remain in place – the spending controls that have been implemented are described in Section D.
- 3.9 Reduce spending to tackle the current budget gap in the 2023/24 financial year and the forecast budget gap for the 2024/25 financial year – the scope of this Financial Recovery Plan is described in Section E.
- 3.10 To set a balanced budget for the 2024/25 financial year (i.e. in which expenditure is covered by income), the Council must tackle the following financial pressures:
- a. Forecast financial pressures – as laid out in the Medium-Term Financial Plan update to Cabinet on 25th July 2023); and
 - b. Equal pay pressures – to quantify and cover the costs of the new Equal Pay claims.
- 3.11 These financial pressures must be tackled in time to enable Full Council to approve a balanced budget for 2024/25 by the end of February 2024.

B. Spending controls

3.12 Spending controls were already in place prior to the issuance of the Section 114 notice. Since the Notice was issued, these controls have been strengthened in line with the requirements of the law. A Spend Control Board is in place, chaired by the Section 151 Officer, and a rigorous spend control process has been established across the organisation. No new non-essential spending is allowed, and any new essential spending must follow the agreed approval process. All financial delegations have been removed and no new agreements or commitments for expenditure are allowed without the explicit agreement of the Section 151 Officer.

3.13 To be considered essential, spending must meet one of the following criteria:

- a. It delivers a clear and referenced statutory obligation.
- b. It delivers a cashable saving compared to a current spending within a quantified time period.
- c. It is already legally committed.
- d. It is required to safeguard vulnerable citizens.
- e. Or, it is fully funded by an external grant. If partially funded, it must be considered against a-d above.

3.14 The Spending Control Manual, which sets out the full process, is included as Appendix 2. The Manual includes examples and some of the main categories of essential expenditure (version as of 18.09.23). To ensure transparency, the decisions of the Spend Control Board are published on the Council's public website (CMIS).

3.15 Continued Spending Control is an important element of the Council's Financial Recovery Plan, as all new spending creates additional pressures that must be funded. For this reason, **Members are recommended to continue Spending Control measures under the direction of the Section 151 Officer until such date as the Council has passed an approved balanced budget for 2024/25.**

C. Financial Recovery Plan

3.16 The Council's Financial Recovery Plan will be overseen by a Financial Recovery Board working alongside the Spend Control Board. These will both report to a Strategic Team chaired by the Chief Executive, which will set direction, manage risk and ensure delivery. The Strategic Team will engage with both Elected Members and external partners of the Council. A Communication and Staff Engagement group supporting this structure will ensure that we communicate openly and transparently with all our key stakeholders in a consistent way.

Approach to in-year 2023/24 savings

3.17 The Cabinet received an update on the Council's Medium Term Financial Plan (MTFP) on 25th July 2023, including Quarter 1 of Financial Year 2023/24 (see Appendix 3). The report presented forecast budget pressures and inflation forecasts over the current financial year (2023/24) and the remaining financial years that make up the MTFP. It projected an in-year budget shortfall of £87m in 2023/24, rising to £165m in 2024/25, £177m in 2025/26, £172m in 2026/27 and £180m in 2027/28. These projected budget shortfalls did not reflect any additional costs relating to Equal Pay, including potential future liabilities or the cost of implementing any scheme of job evaluation. A budget of up to £20m for implementing a scheme of job evaluation was agreed by Cabinet on 25th July 2023 and will need to be reflected in an updated MTFP.

3.18 Many of the underlying forces driving these overspends are being felt by councils across the country. These include:

- a. **Rising demand and complexity pressures in essential services**, including provision of temporary accommodation; provision of social care and SEND services for children; and provision of adult social care. In total, demand and complexity growth adds £56m to the 2023/24 budget gap.
- b. **Rising costs of inflation**, primarily general inflation on costs of premises, transport, supplies and services costs. In total, inflation adds £21m to the 2023/24 budget gap.
- c. **Undelivered savings** which were agreed as part of the 2023/24 budget process but which are now considered to be at high risk. In total, savings considered to be at high risk add £33m to the 2023/24 budget gap.

d. **Additional costs of Oracle implementation** have added to the pressures on the Budget and MTFP.

3.19 Services are now developing options for the maximum deliverable 2023-24 cashable revenue savings or additional 2023/24 income in their areas of responsibility. These may be one-off for 2023/24 or recurrent, but the more that is recurrent the more we can close the future MTFP gap. Proposals will include delivery timescales, milestones and an assessment of impact on services and citizens. Each proposal will have an identified officer below Director level to lead the development and implementation of the proposal. Savings must impact the General Revenue Fund, but within this we are not excluding any budget or service up front.

3.20 On the basis of this work, a revised Emergency Budget for 2023/24 will be presented to a further Extraordinary City Council meeting in late October.

Organisational redesign for 2024/25 onwards

3.21 The Council's expenditure is a consequence of our organisational design. The way we organise our resources to deliver services determines our cost base. Our latest review of our medium-term financial plan – with large imbalances currently forecast for all four years of the plan – demonstrates that our organisational shape and size is now out of balance with our income. We must therefore redesign our organisation around citizen needs in a way that fits our future budgets and delivers a balanced MTFP. We must also meet our Best Value duty under the Local Government Act 1999. We must be able to show that we have arrangements in place to secure continuous improvement and value for money in how we carry out our work, including our use of resources (one of seven themes in the Draft Best Value framework¹).

3.22 There are some key opportunity areas and building blocks for creating a more economical, effective and efficient organisation through organisational redesign. These include:

- a. Leaner corporate services, based on successful implementation of Oracle and associated savings.

¹ [Best value standards and intervention draft guidance \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

- b. Leaner service structures, cutting out duplication of functions and a focus on what value each role adds.
- c. Greater clarity about our service offers to citizens.
- d. More effective early intervention to reduce demand and cut costs of failure.
- e. More effective partnership with other public, private and community sector orgs, and a reduction in our own service provision.

3.23 In reviewing the design of the organisation, we will apply some key principles:

- a. Use a Values Framework that puts citizens first to guide decisions.
- b. Use evidence about citizen needs, value for money and impact.
- c. Develop a service offer and organisational design that fits the MTFP.
- d. Plan for staff reductions and support our staff through the process.
- e. Avoid crude ring-fencing and salami slicing of budgets.

3.24 Services that are considered statutory, and spending which is considered essential, are within the scope of this work. Even where we are meeting statutory duties, we need to consider how best to do this in the interests of citizens, in the most efficient and effective way. We will put citizen needs at the heart of this process and design our organisation around them, not simply seek to make existing services more efficient. In some cases this is likely to involve transfers of services and assets to other organisations.

3.25 We recognise that this process will result in a smaller organisation that employs fewer people. We have already launched a Mutually Agreed Resignation Scheme (MARS) which allows staff to express an interest in voluntarily resigning and, if this is agreed, receiving a non-negotiable exit payment. In addition, we are identifying a range of potential savings from the use of consultancy, interim and agency staff, which will inform the revised 2023/24 Budget as well as longer term organisational design thinking. To deliver best value for our citizens it is vital that we keep the best people in the organisation and attract the best talent to the Council.

3.26 Organisational Redesign work will be taken forward through the Financial Recovery Board, drawing on all other elements of the wider Financial Recovery Plan outlined in this report. The results will inform the development of a balanced Budget for 2024/25 and the Medium-Term Financial Plan.

Limitation and funding of Equal Pay potential liability

- 3.27 Our estimated potential equal pay liability was made public in a Council statement on 28 June 2023. That statement gave a range of between £650m and £760m and an accrual rate of £5m to £14m per month. The potential liability of £650-760m is calculated as at 31st March 2025. The principal solution to the Council's equal pay issues is the delivery of new terms and conditions of employment following a job evaluation study and a new pay structure that complies with the Equality Act 2010. Once we are paying all our people fairly and in accordance with the law, the liability stops accruing.
- 3.28 On 1st September 2023 the Council Business Management Committee met to consider options for a renewed Pay Equity System (PES) consisting of a job evaluation study and new pay structure, to be delivered by no later than 1st April 2025. This is the date at which the £650-760m potential liability is assumed to end. A new PES removes job inequality and means, from that date, employees should not have a further Equal Pay claim. If our implementation of the new pay structure is delayed beyond then, the potential liability will continue to increase.
- 3.29 There have been extensive discussions between the recognised trade unions and the Council with the intention of ensuring that employee interests are properly represented and protected through this process. It is strongly in the interests of all parties to conclude the job evaluation study and implement the new pay structure without delay, and for the whole process to be robust and fair. Delays will increase financial strain for the Council, which may result in the need for further spending reductions. If the process is not robust and fair, it will be open to challenge and may generate future claims.
- 3.30 Whilst the potential liability has been estimated at £650-760m, we do not yet know with certainty the actual amount the Council will pay to settle claims. An important next stage of work will involve examining whether and how we can reduce the overall liability, for example by agreeing to pay some claims early.
- 3.31 Equal Pay claims are a revenue liability, and normally it is not allowed to use capital receipts or borrowing to fund revenue costs. Given the size of the potential liability relative to our net expenditure budget of £925m in 2023/24, we will need to seek permission from the Department for Levelling Up, Housing and Communities

(DLUHC) to capitalise some or all of the costs. See sub-section below on Exceptional Financial Support arrangements.

Asset sales and capital strategy

3.32 The Council holds a large portfolio of assets, including extensive land and buildings around the city; ownership or part ownership of companies; and financial assets. The Council holds a large portfolio of liabilities including Gross Loan Debt of £3.3bn at 31st March 2023, and budgeted debt servicing costs are £239m for 2023/24.

3.33 A Capital Strategy and Assets Review will develop options for generating capital receipts and to reduce borrowing costs. This will involve reviewing:

- a. Committed capital spend: a review of all current capital programmes to understand what can be paused and what should continue.
- b. Borrowing costs: a review of existing borrowing to assess whether refinancing could reduce interest costs.
- c. Existing reserves: a review of all reserves and capital receipts that are committed to future spending plans.
- d. Assets: a review of all assets to assess which can and should be sold (and estimate the potential sale price). This will likely lead to an assets disposal programme.

3.34 Capital receipts will be necessary to help fund the potential Equal Pay liability (on the assumption that the liability can be fully or partly capitalised). They will also reduce the need for further borrowing and will therefore reduce the strain of debt on the Council's revenue budgets, allowing us to protect services for our citizens.

Maximising income

3.35 Alongside reducing expenditure and sales of assets, the Council must consider options for maximising income. Our main sources of income are Business Rates, Council Tax, grants and other income including fees and charges. We will need to consider a wide range of options to balance income against expenditure over the period of Medium-Term Financial Plan.

Requirement for Exceptional Financial Support

3.36 Since 2020, the government has agreed to provide a small number of local authorities with support via the Exceptional Financial Support framework, following

requests from these councils for assistance with financial pressures that they considered unmanageable within the normal local government financial arrangements. Such support comes with significant conditions, including:

- a. An external assurance review focused on the council's financial position, and its ability to meet its budget gap without additional borrowing, for example through additional cost reductions.
- b. An effective response by the council to any recommendations from the external review, and regular progress reports (to DLUHC).
- c. An assumption that the council meets its own cost of exceptional financial support over time.

3.37 It is important to recognise that Exceptional Financial Support is almost never provided in the form of grant, but as permission to borrow or to apply capital receipts from asset sales. If Exceptional Financial Support is agreed, this is usually via a Capitalisation Directive from the Secretary of State. Any borrowing will then create future costs of servicing and paying off the debt.

3.38 The Council maintains regular communication with the Department for Levelling Up, Housing and Communities, and has been in discussions about a range of financial matters over recent months. This has included open and transparent discussions about our potential Equal Pay liabilities and wider financial pressures.

3.39 The Council has not up to this point formally sought Exceptional Financial Support. However, given the scale of the Equal Pay liabilities, such support is likely to be required, and this will require agreement with the Secretary of State for the Department for Levelling Up (DLUHC). Agreement of Exceptional Financial Support (EFS; likely a loan from DLUHC) is subject to negotiations. To enable the Council to set a balanced budget for 2024/25, such agreement will need to be in place (at least in principle) by the end of February 2024.

3.40 To get this agreement by end of February 2024, the Council will need to:

- a. Apply for EFS from DLUHC – including final confirmation of the Equal Pay liability, based on latest estimates.
- b. Carry out the work required to obtain an EFS – this will include review of savings, additional income (including potential additional Council Tax increases) and asset sales – to demonstrate to DLUHC that any funding

request would come after BCC had made tough choices and used existing assets.

- c. DLUHC Officials have confirmed that any EFS is only normally offered “for the residual funding amount” once a council has demonstrated a plan to reduce the amount required through savings proposals, asset sales and other activities as part of its Financial Recovery Plan.

D. Engagement with Overview & Scrutiny, public consultation and engagement

3.41 Overview and Scrutiny (O&S) is a key element of good governance and central to achieving best value for citizens. The Council’s O&S Committees have already held a round of meetings about the Section 114 notice and its implications, and have challenged specific factors contributing to our budget deficit including the non-delivery of savings. Going forward, O&S Committees will continue to have a key role both before and after decision making, challenging and improving proposals, and providing additional accountability for the effective implementation of agreed plans.

3.42 As we further develop and implement our Financial Recovery Plan, we will engage with residents and consult on how we will meet our Best Value Duty. Key opportunities for public engagement at the level of the whole local authority include setting our budgets and the medium-term financial plan. Further details of the Financial Recovery Plan will need to be developed by the end of October, to enable sufficient review and consultation prior to a draft budget for 2024/25 being completed, in time for formal consultation. In addition, there will be individual services where citizen engagement will be important as part of co-designing and changing what we do and how we do it, to best meet our residents’ needs within our available resources.

4 Legal Implications

4.1 Section 114 (3) requires that: “The chief finance officer of a relevant authority shall make a report under this section if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.” The process for issuing a Section 114 report and the effect of it are set out in various sections under the 1988 Act. Subsection 3(A) requires the chief

finance officer to consult, so far as reasonably practicable, the Head of Paid service and the Monitoring Officer.

- 4.2 Section 115 of the 1988 Act requires Full Council to consider and decide on the report made under Section 114 within 21 days beginning on the day the report is issued. Full Council must consider the report at a meeting where it shall decide whether it agrees or disagrees with the views contained in the report and what action (if any) it proposes to take in consequence of it.
- 4.3 Section 115 (6) states that pending consideration of the report by Full Council, there is a prohibition period which runs from the date the report is made to the date of the Full Council meeting. During this period, the Council must not enter into any new agreement which may involve the incurring of expenditure (at any time) by the authority unless the chief finance officer of the authority authorises it to do so. Section 115(6A) states the chief finance officer may only give authority for the purposes of subsection (6) if he considers that the agreement concerned is likely to:
- a. prevent the situation that led him to make the report from getting worse,
 - b. improve the situation, or
 - c. prevent the situation from recurring.
- 4.4 Section 116 requires the Council to notify its external auditors of the report and the time, date and place of the full Council meeting. The external auditors also need to be informed of the outcome of the meeting as soon as practicable. The external auditors have been kept informed of the emerging financial position and the planned work. The external auditors will need to consider the implications of this report on their statutory functions and the implications for their opinion on the 2019/20 and subsequent accounts which remain unaudited at the date of this report.
- 4.5 The Council's legal duties around budget setting are set out in Section 31A of the Local Government Finance Act 1992, which states:
- a. In relation to each financial year a billing authority in England must make the calculations required by this section.
 - b. The authority must calculate the aggregate of:
 - i. the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices.

- ii. such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices.
- iii. the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure.
- iv. such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- v. any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with regulations under section 97(2B) of the 1988 Act,
- vi. any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with section 97(4) of the 1988 Act; and
- vii. any amounts which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of the 1988 Act and charged to a revenue account for the year.

5 Financial Implications

5.1 Financial issues are the subject of this report and are addressed in the body text.

6 Public Sector Equality Duty

6.1 The Council is strongly committed to equality and has statutory responsibilities to comply with both the Public Sector Equality Duty and the Equality Act 2010. These duties are concurrent with the duties imposed by the Section 114 notice, and we will continue to consider equalities implications in all relevant decision making, including decisions of the Spend Control Board. All spending control decisions are supported by information about the equalities implications of proceeding or not proceeding with the spending.

6.2 Birmingham is a superdiverse city with a high level of poverty and deprivation, and poor outcomes for key measures such as health and employment are associated

with specific protected characteristics. We will use the information now available through the City Observatory to inform decision making through our Financial Recovery Plan, including by providing evidence and insight about the pattern of need to allow more accurate targeting of our resources.

7 Background Papers / Appendices

Appendix 1: Section 114 Notice issued 5th September 2023

Appendix 2: Section 114 Spending Control Manual

Appendix 3: Medium Term Financial Plan (MTFP) Refresh – update to Cabinet at Quarter 1 of the 2023/24 Financial Year (25th July 2023)

Report to all Elected Members of Birmingham City Council
Under
Section 114 (3) of the Local Government Finance Act 1988
By
Fiona Greenway CPFA
Interim Director of Finance (Section 151 Officer), Birmingham City Council
Date of Report: 5th September 2023

Purpose of Report

1. Members of the Council are asked to consider this report by the Section 151 Officer (the Chief Finance Officer). The report is made under section 114 (3) of the Local Government Act 1988 because the Section 151 Officer is of the opinion that:
 - a. The Council is currently in a negative General Fund position. That is because of the cost of providing for Equal Pay claims, that the Council is now legally obligated to recognise, will result in exceeding the financial resources available to the Council. This means that spend due within that period exceeded the financial resources available to the Council in that same period.
 - b. The Council has insufficient resources to meet that expenditure and the Council is not currently able to agree a solution that will allow suitable funding or financing to be obtained for this liability.

2. This report is being issued now because of the following individual factors:
 - a. Correspondence from External Audit on 1st September 2023 which raises concerns around the provisions for Equal Pay in prior year accounts, 2020/21 and 2021/22, being materially understated which means the Council would have exhausted its General Fund balance on an accounting basis.
 - b. Further confirmation of the historic value of the potential Equal Pay liability impacting prior years, which is becoming more evident that it is unaffordable for the council based on existing available reserves. Since the announcement of the Equal Pay liability we have received additional correspondence to put the Council on notice of further litigation from recognised Trade Unions and claimant lawyers.
 - c. Correspondence from External Audit on 1st September 2023 also enquires around the likelihood of the Council being able to generate savings, additional revenue income, and/or capital receipts to mitigate the financial challenges.
 - d. A projected deficit of £87m for the 2023/24 financial year, for which the Council does not have sufficient reserves based on the Equal Pay liability above, which is forecast to grow in the 2024/25 financial year.
 - e. Concerns over the speed and effectiveness of the mitigations which have been put in place to address the in-year budget challenges, and the ability of the Council to address our financial position. We must now make challenging financial decisions and stop non-essential spending.
 - f. Extensive discussions with External Auditors, regulatory stakeholders, and leading Kings Counsel who have confirmed our assessment of our financial position (i.e. liabilities exceeding assets) and statutory position (i.e. the requirement to issue a S114). This advice has confirmed the points raised above and the case for issuing a S114 notice.

3. As a result the Council is unable to finalise the provisions for Equal Pay set out in the 2020/21 and 2021/22 draft accounts, nor can I write the supporting going concern statements for these financial years, nor can I make a Section 25 statement in the Local Government Act 2003, nor

can I approve accounts for three financial years (2020/21, 2021/22, and 2022/23). Following extensive discussions with External Auditors and other regulatory stakeholders over the last few months, I have come to this conclusion.

4. The Section 114 Notice is issued following statutory consultation with both the Chief Executive (Head of Paid Service) and the Monitoring Officer. At the date of this report that consultation has taken place. Following the issuance of the Section 114 Notice the Council has 21 days to hold a meeting of Full Council to consider the report from the Section 151 Officer and decide how it will respond.
5. The purpose of this Section 114 report is to make it clear to Members of the Council that immediate steps must be taken to mitigate the financial consequences of Equal Pay claims. This means agreeing a plan which provides a route to bringing the General Fund back to a positive position and assurance that this will be successfully delivered. This should include:
 - a. An appropriate savings plan;
 - b. Full assessment of the capital programme (including delaying existing projects and reviewing assets for sale); and,
 - c. Engagement with Central Government via the Department for Levelling Up, Housing and Communities (DLUHC), resulting in a formal request for Exceptional Financial Support (EFS).

Recommendations

6. That Elected Members of Birmingham City Council must consider this report by Fiona Greenway, Interim Director of Finance (Section 151 Officer/ Chief Finance Officer) issued under Section 114 (3) of the Local Government Finance Act 1988.
7. That this report must be considered at an extraordinary meeting of Full Council, held no later than the end of 21 days (the maximum allowable period set out within the Local Government Finance Act 1988) from the date of issue of this report.
8. That Birmingham City Council (by which this means a meeting of Full Council) must decide whether it agrees or disagrees with the views documented within this report and outline what action it proposes to take because of this report.

Summary of key issues

9. This report is being issued now for the following reasons:
 - a. Officers informed Cabinet on 28 June 2023 that the potential cost of new Equal Pay claims (brought about as a result of existing claims of job enrichment and evidence of task and finish practices taking place in some teams) would be between £650 million and £760 million. This advice made clear that the Council does not have sufficient resources to cover this potential liability. It is likely that the Council will need to recognise this liability in the current or previous financial years which will result in a negative General fund balance. This is an unsustainable financial position for the Council to be in.

- b. In Q1 of FY23/24, the Council forecasted an overspend of £87m for the financial year, which was reported to Cabinet on 25th July 2023 and sets the context of the gravity and urgency of the Council's financial challenge. In the interim period a series of mandatory 'S114 like' spending controls have been in place across the Council to restrict exceptional spend. Progress made against the projected overspend has started, however pace of delivery needs to increase.
- c. Further, work has been ongoing on developing a savings programme to address the in-year budget gap for FY23/24, which is an issue to the Council regardless of the potential Equal Pay liability.
- d. The council's external auditor has now indicated that it expects the potential EP liability to be recognised in 2020/21 and 21/22. Based on current estimates it is expected there will be a negative General Fund balance. As such the Council's expenditure is now greater than the resources available to it (including reserves).

Consequences of a Section 114 Notice

10. The issuing of the Section 114 report has the following impact on the work of the Council:

- a. Elected Members must by law agree to cease all non-essential expenditure and reduce the Council's operational and service delivery costs immediately.
- b. Financial Controls will be exercised by a S151 Spend Control Board. Based on this S114 report, from this date this S151 Spend Control Board will be chaired by the Section 151 Officer. The controls will mean that from this date:
 - i. The Council is prevented, without explicit agreement of the Section 151 Officer, from entering into any new agreement or commitment for expenditure until Full Council has met to consider the Section 114 report. These controls may be re-applied after the date of this Full Council meeting.
 - ii. Temporary Measures are now in force such that all non-essential expenditure will now stop with immediate effect without written confirmation from the Section 151 Officer. For avoidance of doubt, non-compliance with this requirement will be considered a disciplinary matter by the Council. This supersedes all previous guidance on non-essential expenditure, with no exclusions or delegations of authority to Corporate Leadership Team (CLT).
 - iii. The controls outlined in (i) and (ii) will apply to all services being delivered through companies controlled by the Council, or where the Council supplies funding to companies that are jointly or partly owned by the Council.
 - iv. The Financial Controls apply to all Council services, including statutory services, services delivered through controlled companies and connected entities. A framework will be set in place to ensure this happens whilst ensuring that key services to children and vulnerable people are not affected because of these controls.
 - v. Spending Controls will now remain in place for the foreseeable future, with a Financial Recovery Plan reported to Full Council on a quarterly basis moving

forwards. This is not a plan that is developed in isolation by Finance, but a plan that is created and owned by all Directorates and Members.

- vi. Due to the significant potential Equal Pay liability, and no route for financing or limiting this liability, the Council's Capital Financing Requirement will need to be reviewed and re-calculated as a potential route to financing the liability. This means that no further loans will be sought from the Public Works Loan Board (PWLB) unless these are to be applied for capital purposes for which the Council is in contract, for the replacement of existing maturing loans, the maintenance of working capital, or other specified matters agreed by the PWLB in conjunction with DLUHC and the Section 151 Officer.
 - vii. Financial controls will generally have an adverse impact on the profit and loss accounts of various accounts and entities in receipt of support from the Council. The boards of these companies may look to the Council to make up for the lost funding from revenue resources. However, based on the current financial position of the Council, and the issuance of a S114 notice, the Council is unlikely to be able to consider provision of such support.
 - viii. If Financial Controls are not adhered to, or do not achieve the required outcomes, a further S114 notice will need to be issued.
- c. The Council has already implemented Financial Controls on spending – these are detailed in the report to Cabinet on 25 July of this year (entitled Medium Term Financial Plan (MTFP) Refresh – update to Cabinet at Quarter 1 of the 2023/24 Financial Year). This report extends these controls, such that, **the Council is prevented, without explicit agreement of the Section 151 Officer, from entering into any new agreement or commitment for expenditure until Full Council has met to consider the Section 114 report.**
 - d. Depending on the outcome of the Full Council meeting, these Financial Controls may need to remain in place until a solution is found to fund the costs of these Equal Pay claims. This is because the Council will lack the resources to maintain spending in all areas moving forward.

Financial Situation

11. As announced on 28 June 2023, following refreshed analysis it is estimated that as of the 31 March 2023 the Council's current potential Equal Pay liability is in the region of £650-760m. Detailed calculations are now being finalised for inclusion within the accounts for the 2020/21, 2021/22 and 2022/23 financial years, but they are material enough to warrant disclosure now.
12. Officers have begun consultation with the Department for Levelling Up, Housing and Communities (DLUHC). Potential support could enable the Council to make local arrangements to finance the cost, but would still require the Council to set a balanced budget and therefore make significant additional savings.
13. To enable the Council to cover the costs of any future loans, budget savings would need to be made. To address this challenge the Council has:
 - a. **Implemented Mandatory Spending Controls** for all non-essential expenditure. Mandatory spending controls mean that no new agreements or commitments for all

expenditure (including revenue, workforce, and capital) can be made unless specific criteria are met. Individual Directorate arrangements have acted as a first line of defence for the application of criteria, with a Finance Governance Board (chaired by the Leader with a panel of Members, including Independent Financial Advisor) in place to discuss exceptional spend decisions above £200k. This has now been in place since July, and we have seen additional control over exceptional spend. However, there is still a large value of spend being incurred across the Council in relation to the delivery of services against the criteria outlined as allowable expenditure.

- b. **Developed a Robust Budget Savings and Recovery Plan** which is a multi-workstream plan to address both in-year financial challenges and the longer-term transformational changes required to reduce the cost base for delivery of services across the Council. This plan has a number of identified workstreams and Directors have commenced developing saving opportunities with their teams. However, the savings identified will not be sufficient to address the significant Equal Pay liability.

- 14. This action has not yet been sufficient enough to mitigate Equal Pay pressures or tackle a range of existing budget pressures. These budget pressures are detailed in the report to Cabinet on 25 July of this year (entitled Medium Term Financial Plan (MTFP) Refresh – update to Cabinet at Quarter 1 of the 2023/24 Financial Year).

Legal Framework

- 15. Section 114 (3) requires that: “The chief finance officer of a relevant authority shall make a report under this section if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.”
- 16. The process for issuing a Section 114 report and the effect of it are set out in various sections under the 1988 Act. Subsection 3(A) requires the chief finance officer to consult, so far as reasonably practicable, the Head of Paid service and the Monitoring Officer. Both of these statutory officers have been fully briefed and consulted in the preparation of this report.
- 17. Section 115 of the 1988 Act requires Full Council to consider and decide on the report made under Section 114 within 21 days beginning on the day the report is issued. Full Council must consider the report at a meeting where it shall decide whether it agrees or disagrees with the views contained in the report and what action (if any) it proposes to take in consequence of it.
- 18. Section 115 (6) states that pending consideration of the report by Full Council, there is a prohibition period which runs from the date the report is made to the date of the Full Council meeting. During this period, the Council must not enter into any new agreement which may involve the incurring of expenditure (at any time) by the authority unless the chief finance officer of the authority authorises it to do so.
- 19. Subsection (6A) states the chief finance officer may only give authority for the purposes of subsection (6) if he considers that the agreement concerned is likely to: a. prevent the situation that led him to make the report from getting worse, b. improve the situation, or c. prevent the situation from recurring.
- 20. Subsection (6B) requires that authority for the purposes of subsection (6) shall:

- a. be in writing,
 - b. identify the ground on which it is given, and
 - c. explain the chief finance officer's reasons for thinking that the ground applies.
21. Subsection (8) states that if subsection (6) is not complied with, the Council shall be taken not to have had power to enter into the agreement (notwithstanding any option to do so under contract or otherwise). Therefore, the Council's actions will be deemed unlawful.
22. Section 116 requires the Council to notify its external auditors of the report and the time, date and place of the full Council meeting. The external auditors also need to be informed of the outcome of the meeting as soon as practicable. The external auditors have been kept informed of the emerging financial position and the planned work. The external auditors will need to consider the implications of this report on their statutory functions and the implications for their opinion on the 2019/20 and subsequent accounts which remain unaudited at the date of this report.
23. The Council's legal duties around budget setting are set out in Section 31A of the Local Government Finance Act 1992, which states:
- a. In relation to each financial year a billing authority in England must make the calculations required by this section.
 - b. The authority must calculate the aggregate of:
 - i. the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices.
 - ii. such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices.
 - iii. the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure.
 - iv. such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
 - v. any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with regulations under section 97(2B) of the 1988 Act,
 - vi. any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with section 97(4) of the 1988 Act; and
 - vii. any amounts which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of the 1988 Act and charged to a revenue account for the year.

Next Steps

24. The requirement of this S114 (3) notice is that an Extraordinary Meeting of the Full Council must happen within 21 days at which the Council must agree a response that addresses the issues outlined within this report. Full Council must consider whether it agrees or disagrees with the views contained within this report and determine action (if any) it proposed to take as a consequence. A failure to do so within the 21 days will lead to the issuance of a further s114 report.

25. As mentioned above, the Council needs to resolve funding the existing and accruing Equal Pay liability as well as address the Medium-Term Financial Plan Budget Gap for 2023/24 onwards.
26. The Financial Controls referred to in this report will operate from the date of this report. Elected Members must by law agree to cease all non-essential expenditure and reduce the Council's operational and service delivery costs immediately.
27. The timeline for activity over the coming months is as follows:
 - a. 5th September 2023 – Issue S114 Notice
 - b. Extraordinary Full Council Meeting by 26th September 2023 latest
 - c. Statutory deadline for Full Council to agree a response to this report by 26th September 2023 latest
28. Negotiations with DLUHC will continue over the coming months to determine an approach to financing the liability.

Fiona Greenway CPFA

Interim Director of Finance (Section 151 Officer), Birmingham City Council

5th September 2023

Section 114 Spend Control Manual

Guidance issued to support the Section 114 Report to all Elected Members of Birmingham City Council under Section 114 (3) of the Local Government Finance Act 1988, by Fiona Greenway CPFA, Interim Director of Finance (Section 151 Officer)

[S114 Notice](#) [for information]

Contents:

1. Spending Controls under the Section 114 Notice (page 2)
2. Process for Spending Controls and Approvals (page 3-4)
3. Wider activities to address financial challenges (page 5)

Appendices:

- i. Examples of essential and non-essential spending (page 6)
- ii. Frequently Asked Questions (page 7)

Temporary Measures are now in force such that all non-essential expenditure will now stop with immediate effect without written confirmation from the Section 151 Officer. For avoidance of doubt, non-compliance with this requirement will be considered a disciplinary matter by the Council. This supersedes all previous guidance on non-essential expenditure, with no exclusions or delegations of authority to Corporate Leadership Team (CLT).



1. Spending Controls under the Section 114 Notice

This section relates to new spending requests. Under the Section 114 notice, only essential spending requests will be approved. This means that no new non-essential spending is allowed and any new essential spending is only allowed subject to the approval process outlined in this document.

1.1. What is essential spending?

1.1.1. Is the spend request related to a clear (and referenced) statutory obligation?

a) *This includes regulatory and legal requirements – i.e. essential health and safety*

AND/OR

1.1.2. Will this spend request deliver a cashable saving compared to current spending within a quantified time period?

a) *Robust business case with short payback period required, i.e. less than 24 months;*

b) *Business Cases to be reviewed by a group (established by S151 officer);*

c) *Recruitment will only be allowed for posts meeting requirement of 1.1.1 above and where the post is currently being covered by an interim and will therefore deliver cashable savings.*

AND/OR

1.1.3. Is this spend already legally committed? This means:

a) *Existing staff **payroll** and **pension** costs;*

b) *Expenditure required through **existing legal agreements and contracts**;*

c) *Payments for goods and services which have **already been received**.*

AND/OR

1.1.4. Is this urgent expenditure required to safeguard vulnerable citizens?

AND/OR

1.1.5. Does this spend impact the General Fund? If not, it is allowable i.e.:

a) *Is this spend fully funded by external grants (e.g. Dedicated Schools Grant)?*

If this spend is partly funded by external grants, the S151 board will need to consider the specifics of the request

b) *Non-BCC funds do not impact the General Fund. Further guidance will follow on this area.*

1.2. Consideration can be given to the following spending requests, if quantified:

1.2.1. Prevents requirement for a more expensive statutory service;

1.2.2. Capital decisions that reduce borrowing requirements AND/OR provide a capital receipt;

1.2.3. Prevents the loss of an external funding source (e.g. PFI grant from central government) that is used to pay for a statutory service;

1.2.4. Generates an income stream for the Council;

1.2.5. A contractual obligation which is not required for statutory services, in which exiting the contract will cost more than the proposed spend requested; and

1.2.6. It mitigates additional commercial risk to the Council.

See Appendix 1 for examples of essential and non-essential spending.

2. Process for Spending Controls and Approval

This section relates to the process for approval of new spending requests of any value, as detailed in Section 1 (above). This includes setting a new board – the Section 151 Spend Control Board – that supersedes the previous Finance Governance Board.

2.1. The Council is prevented, without explicit agreement of the Section 151 Officer, from entering into any new agreement or commitment for expenditure until Full Council has met to consider the Section 114 report. These controls may be re-applied after the date of this Full Council meeting.

2.2. In practice, this means that:

- 2.2.1. The existing scheme of Financial Delegation is superseded by the S114 notice. Only the Section 151 Officer can sign off new spend. This applies to new spend of any value.
- 2.2.2. Relative to existing spending controls in place across the organisation, this means that Directorate Spending Boards (and the Finance Governance Board) do not have the authority to approve new spending. These Boards can recommend spending to the Section 151 Officer only – to be approved via the S151 Spend Control Board
- 2.2.3. Further details of the approval process are in paragraph 2.5 below.

2.3. S151 Spend Control Board Composition:

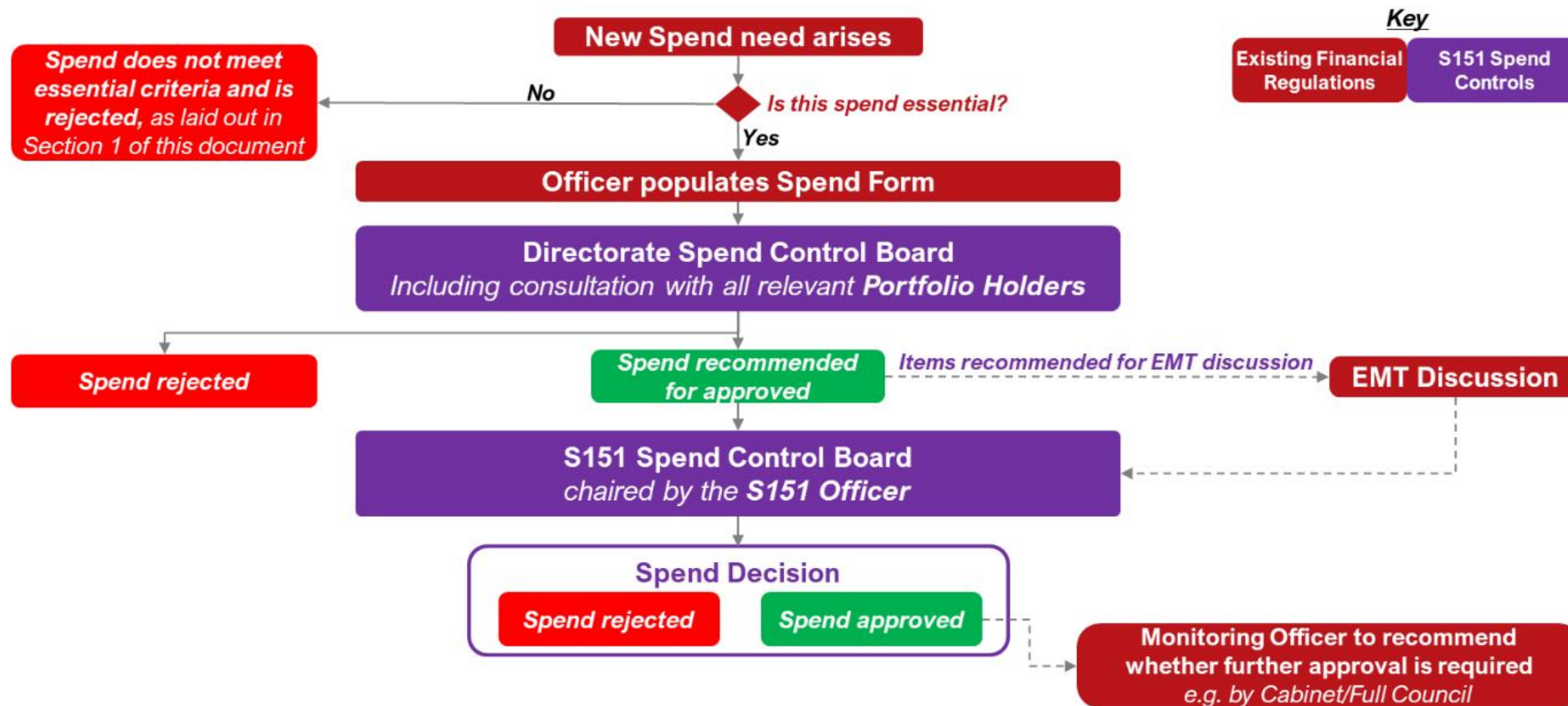
- 2.3.1. Membership:
 - Section 151 Officer
 - Head of Paid Service
 - Deputy Section 151 Officer
 - Assistant Director, Finance & Deputy Section 151 Officer
 - Monitoring Officer
 - Assistant Director, Finance Performance & Insight
 - Assistant Director, Procurement
 - Interim Director of HR
 - Secretariat support provided by Committee Services
 - Observers:
 - Cabinet Member for Finance & Resources
 - Independent Financial Advisor
 - Relevant CLT and Cabinet members for items in their Directorate*Note: Substitutes can be provided as needed based on availability.*
- 2.3.2. Regularity of meetings:
 - Daily boards
 - Weekly review sessions
- 2.3.3. Outcomes:
 - Decisions published on CMIS as written. These will be published at a set time every week (assume end of Friday).

2.4. Terms of Reference

- 2.4.1. To apply the Spend Controls outlined within the Section 114 report issued on 5th September 2023, and the guidance outlined within this Spend Control Manual.

2.5. Spending Controls Flowchart

Any financial delegations outlined in the Constitution or the scheme of delegation are now superseded by this S114 report. Decision making power has been removed and all financial decisions must be agreed and documented by the S151 Officer:



Note: Spend Form will be shared shortly and mirror the criteria for essential spending outlined in Section 1 of this document.
All approvals and rejections will be documented as evidence of the application of controls.

3. Financial Recovery Plan

This Section relates to work required to address the in-year and future year budget gaps, based on existing and committed spend.

3.1. Review of existing revenue spend – what should be stopped, based on the criteria in Section 1 above?

- 3.1.1. This should be part of the scope of work being led by Fiona Greenway and Richard Brooks on the Council’s savings programme for current and future financial years

3.2. Review of capital programme – how can the Council reduce the impact of existing borrowing costs? Can the Council free up spending to tackle the Equal Pay liabilities? A requirement of this work – and likely from Department for Levelling Up, Housing & Communities (DLUHC) in advance of any Exceptional Financial Support (EFS) request – is confirmation of existing Council resources that can be used to mitigate the scale of any EFS request. (In simple terms, how much can the Council free up within existing resources, or what assets can it sell, to reduce the scale of any central government EFS package.) This will include reviews of:

- 3.2.1. Committed capital spend: This should include a review of all current capital programmes to understand what can be paused and what can continue
- 3.2.2. Borrowing costs: a review of existing borrowing to assess whether refinancing might reduce interest costs
- 3.2.3. Existing reserves: this includes a review of all reserves and capital receipts that are committed to future spending plans
- 3.2.4. Assets: the Council must review all assets to assess which can be sold (and estimate the potential sale price). This will likely lead to an assets disposal programme.

3.3. This work should be owned collectively by the Executive Management Team (Cabinet members and Corporate Leadership team members).

3.4. Section 114 controls will remain in place until a Financial Recovery Plan can be agreed by Full Council to mitigate the budget gaps. This will include:

- 3.4.1. A clear and actionable savings plan to tackle in-year and future year budget gaps – details in this section; and
- 3.4.2. Resolution on the EFS available from DLUHC.

3.5. Ultimately, it will be the decision of the Section 151 officer as to whether the Financial Recovery Plan is sufficient, delivering (i.e. signs of tangible progress are clear to see), and reported to Scrutiny to enable the lifting of the spending controls laid out in this document.

Appendix (i): Examples of essential and non-essential spending:

Essential Spending:

Statutory Services: These are services that the council is legally obligated to provide and are considered essential. They typically include:

- Education (e.g., schools and special educational needs support)
- Social services (e.g., child protection, adult social care)
- Public safety (e.g., police and fire services)
- Waste collection and management
- Public health services (e.g., public health inspections, disease control)
- Debt Servicing: Payments on outstanding loans and debts are essential to maintain the council's financial integrity
- A library service

Staffing for Essential Services: Employee salaries and benefits related to delivering statutory services.

Maintenance and Repairs: Funding for essential infrastructure maintenance and repairs to ensure public safety and service continuity.

Emergency Provisions: Funds set aside for unforeseen emergencies or contingencies that could impact essential services.

Non-Essential Spending:

Discretionary Services: These services are not legally required but may enhance the quality of life in the community. Examples include:

- Parks and recreational facilities
- Cultural and arts programs
- Leisure centres and sports facilities
- Library Buildings

New Capital Projects: Investments in new infrastructure or construction projects that are not immediately necessary for public safety or statutory obligations.

Consultancy and Professional Services: Spending on external consultants, advisors, or professional services that are not directly tied to essential services or legal requirements.

Marketing and Promotion: Advertising and promotional expenses that are not critical to the delivery of essential services.

Non-Urgent Capital Expenditures: Capital spending on equipment, vehicles, or technology upgrades that are not immediately required for essential services.

Non-Essential Staffing: Hiring or maintaining personnel for roles not directly related to statutory services, which may include administrative or non-essential positions.

Events and Entertainment: Expenses related to hosting events, conferences, or entertainment activities that are not crucial for service delivery.

Non-Critical Travel and Training: Travel expenses and training programs that are not essential for maintaining statutory services.

Appendix (ii): Frequently Asked Questions

- *Do these spend controls apply to **Birmingham Children’s Trust (BCT)**?* – These controls apply to Birmingham Children’s Trust (as this impacts Council spending through the General Fund), and the S151 Officer will work with the Director of Finance for the Trust to ensure spending controls mirror the guidance set out within this document.
- *Do these spend controls apply to **Capital spend**?* – These controls apply to all Council spend, including Capital spend. As well as approval at the Directorate Spend Control Board, Capital spend should be approved at the Capital Board prior to being added to the agenda for the S151 Spend Control Board.
- *Do these spend controls apply to **Grants**?* – These controls apply to all Council spend, including Grant and ringfenced spend. To approach Grant and ringfenced spend in the most pragmatic way possible, we are requesting that CLT Directors (or delegates) work with Finance Business Partners to assess Grant and ringfenced spend to identify approvals that are required for high frequency mandatory spend. This will allow a spend decision to be documented for this type of spend, whilst also limiting the need to repeat approvals.
- *What does **Value for Money** mean?* – For all spend requests relating to Value for Money should represent a cashable saving compared to the current spending within a quantified period of time. This means there should be a short payback period, delivering savings or reducing costs in a 24 month period. All business cases should be created in conjunction with Finance Business Partners, and approved prior to submission to the S151 Spend Control Board.
- *Does the S151 Control Board need to **approve everything**?* – Yes, as per the terms of the S114 notice. There needs to be a clear written and published decision for each decision made. That is why all decisions will need to go through this board. All of these decisions will be recorded on CMIS.
 - To approach spend in the most pragmatic way possible, we are requesting that CLT Directors (or delegates) work with Finance Business Partners to identify approvals that are required for high frequency mandatory spend. This will allow a spend decision to be documented for this type of spend, whilst also limiting the need to repeat approvals.
- *Which decisions need to go to **Cabinet or Full Council**?* – All spending decisions need to be approved by the S151 Officer. Once the spending decision is approved, if there is a further policy decision to be made, a request may need to go to Cabinet or Full Council for approval. Guidance will be provided by the Chief Monitoring Officer.
- *Do these spend controls apply to **Accountable Bodies**?* – These spending controls apply to any spending that will go through the General Fund.
- *What is the role of **Scrutiny Committees**?* – It is expected that Scrutiny committees, notably Finance & Resources, will receive a list of spending decisions made for comment and discussion.
- *How should **spending on extraordinary items** be approved?* – This document states that all spending should go through the process outlined in Section 2, namely through Directorate Spend Control Boards and then on to the S151 Spend Control Board. This includes current work to mitigate the issues with the Oracle.

THIS DOCUMENT WILL BE SUBJECT TO REVISION AS THE SPEND APPROVAL PROCESS EMBEDS AND IS REVIEWED BY THE SECTION 151 SPEND CONTROL BOARD.

Birmingham City Council

Report to Cabinet

25th July 2023



Subject: **Medium Term Financial Plan (MTFP) Refresh – update to Cabinet at Quarter 1 of the 2023/24 Financial Year**

Report of: **Fiona Greenway, Interim Director of Finance & Section 151 Officer**

Relevant Cabinet Member: **Councillor John Cotton, Leader
Councillor Sharon Thompson, Deputy Leader
Councillor Brigid Jones, Cabinet Member for Finance and Resources**

Relevant O &S Chair(s): **Councillor Jack Deakin, Finance and Resources Overview & Scrutiny Committee**

Report author: Peter Sebastian
Head of Financial Planning (interim)
Email Address: peter.sebastian@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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 011384/2023		
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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1 Executive Summary

- 1.1 As part of the Council’s approach to financial management, the Council provides updated forecasts across the Medium Term Financial Plan (MTFP) period to Cabinet three times a year – at Quarter One (this report); Quarter Two (in October) and at

Quarter Three (December/January, in the run up to formal budget-setting for the next financial year).

- 1.2 This report shows forecast budget pressures and inflation forecasts over the current financial year (2023/24) and the remaining financial years that make up the MTFP. It is projected that there is in-year budget shortfall of £87.4m in 2023/24, rising to £164.8m in 2024/25, reflecting the extent to which the costs of current service provision exceed the funding levels. These projected budget shortfalls do not reflect any additional costs relating to Equal Pay, including potential future liabilities as well as the cost of implementing any scheme of job evaluation.
- 1.3 Across the country, many councils are facing significant and similar budget pressures – mainly due to increased demand for services from residents, higher than forecast inflation and difficulty with delivering existing savings programmes in this current economic climate. Therefore, the current MTFP forecasts for Birmingham City Council (BCC), while serious and requiring immediate attention, are not unique.
- 1.4 What is unique, in the BCC context, is the significant and additional forecast liability for Equal Pay claims of between £650m and £760m. The Council has engaged with its External Auditors and is having ongoing discussions with the Department of Levelling-Up, Housing and Communities (DLUHC).
- 1.5 It is for this reason that this report supports the implementation of mandatory spending controls to give the Council time to further review financial pressures (including finalising the details of the Equal Pay liability) and mitigations.
- 1.6 In addition, this report recommends the implementation of a Robust Budget Savings & Recovery Plan to tackle existing budget pressures and the financial implications of the additional Equal Pay liability. This Plan sets out a series of activities that need to be delivered over the next five years to achieve financial stability within the Council, reviewing all aspects of BCC's financial management systems, processes and capability. This Plan will also seek to tackle financial pressures and rebuild corporate reserves over the medium term.

2 Recommendations

Cabinet is recommended to:

- 2.1 Note the MTFP budget pressures (inflation, savings, directorate pressures, Collection Fund update), as well as the Quarter One 2023/24 position (which provides a high-level assessment of a budget gap for this financial year) (**Section 5 of this report**);
- 2.2 Note the wider financial position of the Council, in terms of capital expenditure and available corporate resources, which demonstrate that the additional Equal Pay liability, alongside MTFP budget pressures, cannot be found within existing BCC resources (**Section 5**);

- 2.3 Note the work carried out to date to assess the potential scale of additional Equal Pay liabilities (**Section 4**);
- 2.4 Endorse the mandatory spending controls which came into effect from 5 July 2023 (**Section 6**);
- 2.5 Endorse the robust Budget Savings & Recovery Plan – to close the forecast budget gaps in the current financial year and future financial years– as per the timetable included in this report (**Section 6**); and
- 2.6 Agree the 2024/25 budget-setting timetable, including the dates for the implementation of the recommendations in this report (**Section 7**)

3 Background

- 3.1 Birmingham City Council (BCC) approved its 2023/24 annual budget and Medium Term Financial Plan (MTFP) on 28 February 2023 as part of the annual budget setting cycle. Budgets were balanced up to 2023/24 (and across the MTFP period) on the assumption that:
 - a. £97.1m of savings were to be delivered over the next four years to 2026/27 (assuming no savings are brought forward undelivered from 2022/23);
 - b. Budget managers and budget holders are diligent in working within budgetary envelopes; and
 - c. Council tax was increased by 4.99% (including 2% for social care) with income levels largely returning to pre-Covid levels.
- 3.2 This paper:
 - a. Updates the assumptions (particularly inflation) that were used to set budgets for the 2023/24 financial year and provide an initial high-level

forecast (as at Period 3; Quarter One, April – June 2023) for the 2023/24 financial year;

- b. Updates the budget assessments over the MTFP period (from 2024/25 to 2027/28) based on the most recent forecasts (particularly with regard to inflation);
- c. Provides an update on Directorate spending to identify recent spending pressures, as well as progress against the agreed savings programme within the 2023/24 Financial Plan;
- d. Provides an outline of the Robust Budget Savings & Recovery Plan, including proposals for spending controls and key workstreams;
- e. Outlines the timetable and next steps required for the budget-setting process for the 2024/25 financial year, including budget consultation and engagement;
- f. Outlines the scale of the Council's existing capital programme – including a summary of existing borrowing (a full Capital and Treasury Management will come to Cabinet later this year); and
- g. Provides an initial assessment of potentially available corporate reserves that could be used to cover potential upcoming financial liabilities. It should be noted that these reserves are currently an estimate; a full review of reserves will be completed as part of the 2022/23 outturn report that will come to Cabinet in Autumn 2023.

3.3 This paper does not cover ringfenced revenue funding in the Housing Revenue Account (HRA) or the Dedicated Schools Grant (DSG) – it solely focuses on General Fund revenue budgets. The HRA Business Plan is expected to come to Cabinet in September 2023 for review; the DSG budget position is covered as part of the usually cycle of quarterly reporting to Cabinet.

4 National & Local Financial Context

4.1 Cabinet should note that there are a significant range of challenges that this Authority, and all public bodies, are currently facing. Research by the Special Interest Group of Municipal Authorities (SIGOMA) which represents 47 urban authorities, published on 19 June 2023, found that 55% of respondents were unsure whether they would be able to meet the budgets that were approved in March 2023 for the 2023/24 financial year. Based on the updated MTFP forecasts in Section Four of this report, without immediate and urgent action, BCC is in a similar position. The macroeconomic factors that are causing financial pressures include:

- a. **The impact of inflation** – compared to February 2023 when the budget for the 2023/24 financial year was agreed, inflation looks set to be higher than forecast. This manifests itself in a number of ways, from increased pay and materials budgets to rising energy costs; for example, the 2023/24 Financial Plan included an increased budget allocation of £18 million for the Council’s energy bills and a £6 million increase for our schools. Further details on the impact of inflation are detailed in Section Five of this report;
- b. **Impact of Covid** – this continues to impact in a number of ways, from increased support needs for our residents (resulting in additional pressures on public services) to the income collection, as can be seen in the movement in the Collection Fund (most notably for business rates) that is described in Section Five;
- c. **Uncertain central government funding** – the Council’s net revenue budget is funded from four main sources: Business Rates, Council Tax, government grants and fees & charges. (Where necessary, corporate reserves may also be used to cover specific expenditure or cover budget shortfalls.) Fees & charges are dependent on activity levels and residents’ ability to pay. While Council Tax and Business Rates are also dependent on ratepayers’ ability to pay, there are a number of uncertainties over these funding streams in future. Central Government has provided some clarity for the 2024/25 financial year only – namely that current Council Tax threshold levels (i.e., the amount that rates can be increased without the need for a referendum) will remain at 3% for Council tax and 2% for the Adult Social Care precept. Future reforms to the Business Rates system are currently delayed until 2025/26 at the earliest but may have a significant impact on BCC.

4.2 At present, there are also a number of challenges that are specific to BCC:

- a. Oracle finance system implementation – as approved by Cabinet on 27 June, this MTFP refresh includes £33.7m of costs from 2023/24 onwards to fix urgent issues, and to develop a plan that will deliver the Council’s vision for an optimised Oracle. The total cost is £46.5m, including £12.8m of costs that had related to the 2022/23 financial year. In addition, the time taken to fix this Oracle system has delayed the completion of the 2022/23 outturn report and final reserves position, which means that this report cannot fully consider the impact on reserves of future cost pressures. This will be done at the Quarter Two MTFP refresh report due to come to Cabinet in October.
- b. Equal Pay challenges – the additional forecast Equal Pay liability is a key driver for the recommendations in this report. As noted above, initial estimates of the potential additional Equal Pay liability are between £650m and £760m.

4.3 Before the financial implications of this Equal Pay liability can be fully quantified for the MTFP, a more detailed calculation, using individual time-series data, to assess the full extent of the Equal Pay liability is being carried out. The results of this work are expected in August.

- 4.4 The overall scale of the liability needs to be quantified to assess total costs and enable BCC to explore all options for payment. A provision for Equal Pay liability will also need to be made within all accounts that are not currently signed off by auditors – this includes the 2020/21, 2021/22 and 2022/23 financial years – to demonstrate the scale of the issue at that point in time. This provision cannot be made until a financial solution is agreed with national government and stakeholders. At that point, the accounts can be reviewed and signed off by auditors.

5 MTFP – updated forecasts

- 5.1 The key movements from the MTFP position since BCC approved the budget for 2023/24 (and forecasts for future years) in February 2023 are shown in the table below. The projections identify a significant in-year budget shortfall of £87.4m in 2023/24, rising to £164.8m in 24/25, reflecting the extent to which the costs of current service provision exceed the funding levels:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000
Total Net Expenditure (as per 2023/24 Financial Plan)	925,078	1,018,314	1,035,612	1,049,934	1,083,206
Total Resources (as per 2023/24 Financial Plan)	(925,078)	(1,018,314)	(1,035,612)	(1,049,934)	(1,079,093)
Budget gap as (as per 2023/24 Financial Plan)	-	-	-	-	4,113
Expenditure					
Budget Pressures					
Staffing	3,844	3,973	4,070	4,170	4,273
Demand/Complexity Growth	55,586	37,736	44,027	42,240	39,840
Statutory Requirement	-	-	-	-	-
Borrowing costs, investment etc	-	-	-	-	-
Budget Pressures Subtotal	59,430	41,709	48,097	46,410	44,113
Corporately Managed Budgets	(4,240)	(4,097)	(3,935)	(4,154)	(5,461)
Pay Inflation	-	-	(2,532)	(5,178)	(7,943)
Contract Inflation	1,042	27,346	51,904	55,348	58,666
Other Inflation	19,875	28,352	35,367	42,593	50,063
Fees and Charges Inflation	-	(357)	(365)	(372)	(378)
Inflation Sub-total	20,917	55,341	84,374	92,391	100,408
Savings					
High Risk Savings	35,141	56,274	75,374	75,374	75,374
Savings Subtotal	35,141	56,274	75,374	75,374	75,374
Total Net Expenditure Movements	111,248	149,227	203,910	210,021	214,434
Resources					
Business Rates	-	14,100	(27,677)	(40,165)	(41,052)
Council Tax	-	2,019	-	-	-
Other Grants Excl DSG & ABG	-	-	-	-	-
Top Up Grant	-	-	-	-	-
Other income	5,044	2,589	2,589	2,589	2,589
Net Payment to/(from) Reserves	(28,907)	(3,096)	(1,687)	-	-
Total Resources Movement	(23,863)	15,612	(26,775)	(37,576)	(38,463)
MTFP Budget Gap at July 2023	87,385	164,838	177,135	172,445	180,084

- 5.2 These projected budget shortfalls do not reflect any additional costs relating to Equal Pay, including potential future liabilities as well as the cost of implementing

any scheme of job evaluation. Full detail on these projections is included in paragraphs 5.3 – 5.15 below.

5.3 **Budget Pressures & Policy Choices** – this is made up of two elements:

- a. **Staffing** – this includes the correction of a previous budget issue that relates to the 1.25% planned increase in National Insurance contributions (and therefore pay costs) which was subsequently scrapped in September 2022. This planned increase was removed from base budgets, leaving a shortfall (£3.4m in 2023/24) to cover the forecast pay award.
- b. **Demand / Complexity** – this covers a range of directorate-specific spending pressures. The four largest areas of cost pressures are:
 - i. Oracle costs (assumed £33m from 2023/24 to 2025/26);
 - ii. Temporary Accommodation (assumed pressure of £8.6m in 2023/24, rising to £18.2m in 2024/25; based on the recent proposal to June Cabinet to purchase additional temporary accommodation which was approved);
 - iii. Children & Families pressures (£6.7m in 2023/24 and £3.9m in 2024/25), driven by demographic pressures requiring care (particularly in Unaccompanied Asylum Seeking Children) and home-to-school transport support, as well as an additional liability relating to Birmingham’s Children’s Trust pension liabilities for 2023/24 only (all of which will be further reviewed at Quarter Two); and
 - iv. Adult Social Care demand pressures (forecast £6.2m in 2023/24 and £8.9m in 2024/25) relating to increased numbers seeking care and increased placement costs (i.e. additional demand for more expensive residential care).

5.4 **Corporately Managed Budgets** – this includes a forecast reduction in borrowing costs of £3.9m in 2023/24 and £2.3m in 2024/25, as delays in the capital programme have led to lower than forecast loan debt (and therefore lower Treasury costs).

Inflation

5.5 **Other inflation** – this line covers General Price inflation on premises, transport, and supplies and services costs. The assumptions used in the 2023/24 Financial Plan have been reviewed in light of the latest Bank of England Consumer Price Index (CPI) forecasts from May 2023. The updated forecasts are based on the following assumptions:

	2023/24	2024/25	2025/26
Apr-Jun	8.2%	3.4%	1.1%
Jul-Sep	7.0%	2.9%	1.0%
Oct-Dec	5.1%	2.3%	1.0%
Jan-Mar	4.4%	1.5%	1.1%
Average CPI Inflation	6.2%	2.5%	1.1%
MTFP refresh assumptions used:	6.2%	2.5%	2.0%
Assumptions used in 2023/24 Financial Plan:	0.0%	0.0%	0.0%

Source for MTFP refresh assumptions: Bank of England CPI forecasts, May 2023

Note: for the 2025/26 financial year and future financial years, MTFP forecasts are assumed to be 2.0% - a slight increase from Bank of England forecasts to ensure the MTFP is calculated on a prudent basis

5.6 As noted above, the increase in forecast inflation is due to the increase compared to the 2023/24 Financial Plan, in which assumptions were made that Directorates would not receive any inflationary uplift for premises, transport and supplies & services costs and would need to manage pressures within existing budgets.

5.7 **Contract inflation** – this relates to areas of spend which are tied to specific contracts, and so require specific inflation assumptions. The largest area of spend – and therefore the largest impact on the MTFP – relates to Adult Social Care (packages of care; estimated £18.6m increase in inflation forecasts in 2024/25) and Children’s Social Care (third party payments to the Birmingham Children’s Trust for care packages; estimated £7.3m increase in inflation forecasts in 2024/25). This is based on the following assumptions:

	2023/24	2024/25	2025/26
<u>Adult Social Care packages</u>			
Assumptions used in the 2023/24 Financial Plan:	7.5%	0.6%	0.0%
MTFP refresh assumptions used:	8.7%	6.5%	4.9%
<u>Children's Social Care third party payments</u>			
Assumptions used in the 2023/24 Financial Plan:	7.4%	0.6%	0.0%
MTFP refresh assumptions used:	7.4%	6.5%	4.9%

Source for MTFP refresh assumptions: Analysis of future ASC care package costs as at end of May 2023

Note: for Children’s third-party payments, it is assumed that they will track ASC inflation movements in 2024/25 and 2025/26. The 2023/24 figures have not yet been updated and will form part of the next MTFP Refresh paper to Cabinet in October

5.8 **Pay inflation** – at present, pay inflation budgets look broadly accurate. The Financial Plan 2023/24 assumed 5.0% increase in 2023/24, 2.5% in 2024/25 and in future years. Based on Bank of England forecasts, this update revises this forecast to 2.0% from 2025/26 onwards.

5.9 **Savings** – progress against the savings agreed in the 2023/24 Financial Plan has been reviewed. Based on the table below, it is estimated that a total of £35.1m of savings are at high risk (i.e., assessed as unlikely to deliver). These are described in paragraphs 5.10-5.11 (£33.2m of savings at risk within the agreed corporate savings programme) and 5.12 (an additional £1.9m of savings that had been incorrectly applied).

- 5.10 From the agreed corporate savings programme, as laid out in the 2023/24 Financial Plan approved by Cabinet in February, the Financial Sustainability Programme Board is currently forecasting that £33.2m of savings are at high risk (i.e., assessed as unlikely to deliver) in 2023/24 with a further £21.1m unlikely to be delivered in 2024/25:

£'000	2023/24	2024/25	2025/26	Total	% of Target
MTFP Target 23/24 to 25/26	(55,165)	(28,137)	(19,544)	(102,846)	92%
Previous Undelivered Savings	(9,454)			(9,454)	8%
Total Target	(64,619)	(28,137)	(19,544)	(112,300)	100%
Delivered					
Low Risk	(2,623)	(1,116)	(84)	(3,823)	3%
Medium Risk	(28,517)	(5,888)	(360)	(34,765)	31%
High Risk	(33,479)	(21,133)	(19,100)	(73,712)	66%
To Be Confirmed					
Potential Write-Off					
Total Forecast	(64,619)	(28,137)	(19,544)	(112,300)	100%

- 5.11 The following points should be noted about this savings forecast:

- a. This assumes that, in addition to the £55.2m of budgeted savings in the MTFP for 2023/24, there will be £9.5m of undelivered savings in 2022/23 that will need to be rolled forward for a total savings target of £64.9m in 2023/24. This will need to be confirmed as part of the outturn report for 2022/23 (and the number of undelivered savings could rise or fall).
- b. The projects that are not expected to deliver target savings in 2022/23 include: Workforce savings (£2m); Traded Services (£1.6m); Council Admin Buildings Premises (£1.3m); Automation (£0.85m); Fieldworker / new ways of working (£0.8m); and Customer Services (£0.4m).
- c. An initial high-level review of savings projects by the Financial Sustainability Programme Board, as at mid-May, suggests that approximately £33m (50%) of the total £64.9m required in 2023/24 is currently at risk of slippage/non-delivery. Key projects currently at high risk of slippage/non-delivery include: Children's Trust Savings - £6m; Reducing Bed and Breakfast spend - £5.5m; Commercial Investment/Property - £4.7m; Workforce Savings - £4m; CAB Premises - £3.7m; Traded Services - £3.1m; EIP/Localities Hub - £2.5m; Automation - £1.850m; Centres of Excellence - £1.8m; Customer Services - £0.990m; and Fieldworker - £0.8m
- d. Work is currently progressing to review the risk levels and options for mitigation. Further information will be provided in subsequent reports to Cabinet on the 2022/23 outturn and the Quarter Two MTFP Refresh in October.

- 5.12 In addition to the savings above, this MTFP includes an additional £1.95m of vacancy factor savings (i.e., holding staff positions vacant as people leave) that

had been incorrectly applied to Children & Families and City Operations. These had been applied on top of existing 3% savings across all Directorates.

5.13 **Resources** – this paper also considers a range of factors affecting future income. These include:

- a. **Business rates** – based on the draft 2022/23 outturn position for the Collection Fund, it is forecast that there is a deficit in business rates income of £27.8m due to a challenging economic environment for businesses (resulting in lower than forecast collection rates), a delay in enforcement activity (due to Oracle implementation issues) and an increase in business rates appeals (as this is the last year of the six year period in which businesses can query the latest set of rateable valuations (i.e. tax due) which were carried out in 2017).
- b. Under statutory guidance, the 2022/23 Collection Fund deficit will be charged to the General Fund for the next financial year (i.e. in 2024/25). However, this is offset by additional forecast income from business rates of £13.8m in 2024/25 and in subsequent years. Business rates are calculated by multiplying the rateable value of the property by the “non-domestic multiplier” which is adjusted to reflect the Consumer Price Index inflation figure for the September prior to the billing year. As Bank of England forecasts for CPI are expected to be higher than the forecasts used in the Financial Plan for 2023/24, this could result in additional income for the Council in future years.
- c. **Council tax** – as with Business Rates, there is projected to be a £2.0m deficit for 2022/23 in Council Tax income due to a reduction in collection rates. This will also be charged to the General Fund for 2024/25. It is worth noting that collection rates across Council Tax and Business rates fell in 2022/23, relative to 2021/22. For Council Tax, in year collection fell from 92.9% to 90.2%; for Business Rates, in year collection fell from 95.8% to 90.1%.
- d. **Grants** – there are two main categories of grant: 1) those used to fund wider Council services (e.g., Top Up Grant, Business-rates related Section 31 grants); and 2) those ringfenced to fund specific services (e.g., the Social Care Grant). At present, there is not sufficient information from central government to update forecasts for grant funding in 2024/25 and beyond. Further information is expected later in the 2023/24 financial year.
- e. **Other income** – this includes a range of pressures including a pressure of £1.5m on parking income (due to reduced demand with the city) and £1.5m on business waste collection income (again likely due to reduced office usage across the city).
- f. **Reserves** – at present, the only use of reserves assumed is to cover the additional expenditure required to support the remediation of the Oracle

finance system. A further review of reserves will be provided to Cabinet as part of the 2022/23 outturn report in the Autumn.

5.14 **Additional risks** – there are a range of other possible service pressures that are being reviewed by officers. For the purposes of this paper, only pressures that are 1) viewed as more than 50% likely to take place and 2) can be quantified are included in this report. Others will be reviewed and may be quantified as part of the Quarter Two refresh of the MTFP for Cabinet in October. This could include the potential cost implications relating to the current Private Finance Initiative (PFI) contract between the Council and Birmingham Highways Limited – a procurement exercise for a new sub-contractor is currently ongoing, so it is not possible to quantify any additional costs at this stage.

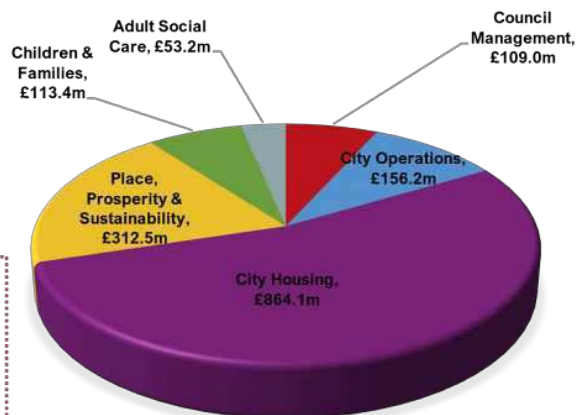
5.15 **Equal Pay** – further to the description in Section Four of this report, and for the purposes of this paper, a high level estimate of the potential financing costs has been made for information purposes. It is not yet included in the MTFP forecasts in this paper, as the work to finalise the figures is ongoing.

Capital Programme

5.16 **Size** – a review of the Capital programme is needed in light of the current financial situation with a view to add, reprioritise, accelerate, defer and descope the programme. This will need to be looked at across all Directorates within scope of the Capital Programme.

5.17 The current approved capital programme is for £1.6 billion of spending over this MTFP period:

	2023/24 to 2026/27
Directorate	£m
Council Management	£109.0m
City Operations	£156.2m
City Housing	£864.1m
Place, Prosperity & Sustainability	£312.5m
Children & Families	£113.4m
Adult Social Care	£53.2m
Total	£1,608.3m



Core City Comparison		
	4yr Programme	HRA
City	£m	£m
Birmingham	1,608	821
Manchester	1,104	105
Leeds	1,978	520
Bristol	1,118	700
Liverpool	345	0

- 5.18 The capital spend by Directorate includes:
- a. City Housing includes £820m for the Housing Revenue Account: investment in current housing stock as well as new social housing;
 - b. Council Management includes £54m transformation projects and £30m Corporate Contingency over four years;

- c. The above figures do not include the proposed £400m investment in the Council's Temporary Accommodation strategy, approved by Cabinet on 25 June; and
- d. Place, Prosperity & Sustainability includes £52.9m Enterprise Zone funded by borrowing to be repaid by the retention of future Enterprise Zone business rates.

Corporate Reserves

- 5.19 At present, officers are reviewing corporate reserves to finalise the outturn position for the 2022/23 financial year. These will need to be compared to the MTFP budget gap included in this paper and additional costs as a result of additional Equal Pay claims.
- 5.20 Using corporate reserves will, of course, significantly reduce the financial resilience of the council against future pressures. Once reserves have been used, they need to be rebuilt from existing budgets (i.e., through future savings that can be contributed to reserves). Once reserves have been spent, they are no longer available. That is why it is worth pursuing a savings programme first and retaining reserves to enable the authority to have some protection against future budget pressures. The method for pursuing these savings will be the Robust Budget Savings & Recovery Plan – outlined in the next Section of this report.

6 Robust Budget Savings & Recovery Plan

Background

- 6.1 The financial challenges being faced by the Council are of a sufficient size that they require immediate and sustained action to control. There is no doubting the scale of the financial challenge. There is a significant budgetary challenge arising, which includes:
 - a. The sizeable MTFP budget gaps identified in Section Five of this report; and
 - b. Additional financing costs for any future Equal Pay costs.
- 6.2 The Robust **Budget Savings & Recovery Plan** is made up of:
 - a. **Mandatory spending controls** – to enable the Authority to pause non-essential spending and to enable time to tackle the budget gap; and
 - b. **Detailed workstreams** – including Oracle Remediation, MTFP and Budget, and Workforce.

Mandatory Spending Controls

- 6.3 Based on the rationale in this report, **Mandatory Spending Controls** were implemented on 5 July.

6.4 **Mandatory spending controls mean that:**

- a. **No new agreements or commitments for expenditure can be made, without engagement with the three statutory officers.**
- b. Temporary measures will be brought in to ensure all **new** non-essential expenditure will stop with immediate effect.

6.5 **The only allowable expenditure permitted under an emergency protocol includes the following categories:**

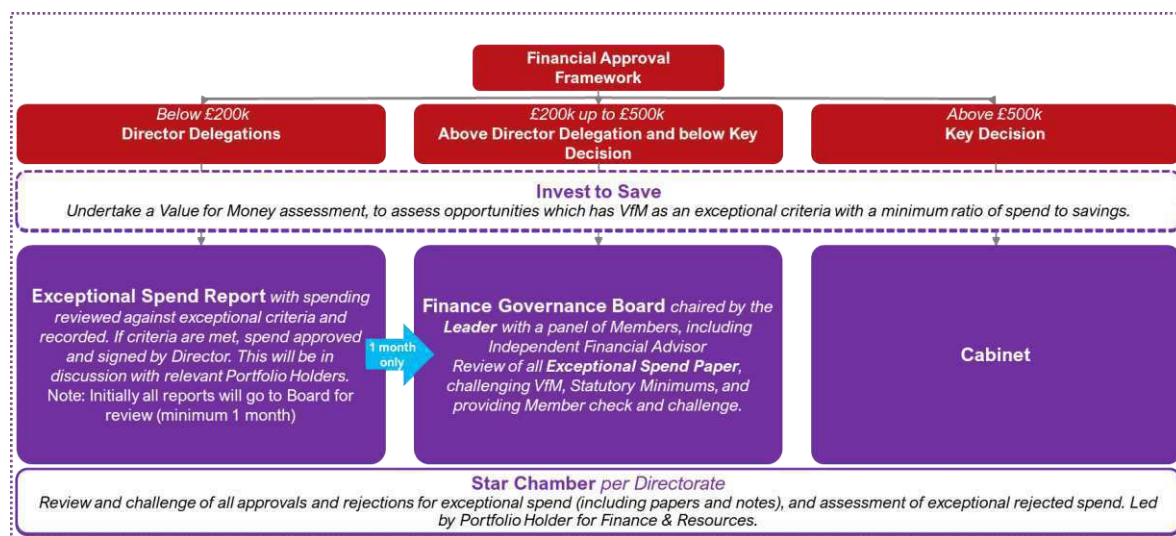
- a. Existing staff **payroll** and **pension** costs
- b. Expenditure required through **existing legal agreements and contracts**
- c. Expenditure on **goods and services** which have **already been received**
- d. Expenditure required to deliver the council's **provision of statutory services**
- e. Urgent expenditure required to **safeguard vulnerable citizens**
- f. Expenditure to address **services** which are **under regulation**
- g. Expenditure funded through **ring-fenced grants**
- h. Expenditure necessary to achieve **value for money** and / or **mitigate additional in year costs**
- i. Expenditure necessary to achieve **value for money** and / or **mitigate additional in year costs**
 - i. *Robust business case with short payback period required, i.e., less than 24 months;*
 - ii. *Value-for-Money Framework to be developed; and*
 - iii. *Business Cases to be reviewed by a group (to be established by Chief Executive)*

Robust Budget Savings & Recovery Plan

6.6 **Governance Arrangements – three governance forums will be used to challenge spend within the Council:**

- a. **Director Delegations with Exceptional Spend Report** – To review spend against exceptional criteria and take delegated decisions against spend thresholds. In discussion with relevant Portfolio Holder.
- b. **Finance Governance Board** – To review spend above certain thresholds based on exceptional criteria, utilising senior stakeholders to challenge spend, and regularly review Director delegated decisions.
- c. **Star Chamber** – To review and challenge all approved exceptional spend (including papers and notes) and an assessment of exceptional rejected spend.

6.7 This will be implemented in line with a temporary scheme of delegation, aligned to the Finance, Procurement and Contract Governance Rules in Part D of the constitution:



*Notes: All forums will occur on a weekly basis to ensure spend is agile and responses to Directorate needs. This will apply to all spend over £500 as a de-minimus level. All spend must adhere to Council Procurement Governance. This includes spend and call-offs from frameworks. This includes **Capital and Ring-Fenced Grant Spend**. Consideration will be given to the volume of reports, needs to split by General Fund and Housing Revenue Account spend, and the timeliness of reporting and governance. This covers increase in spend **and** decrease in income.*

6.8 **Work plan** – this plan will inform the roadmap of activities that need to be delivered over the next five years to achieve financial stability within the Council.

6.9 There are nine activities which form this plan, split into Strategic and Operational Activities. The Strategic work streams are:

- a. **Organisational Spending Review** – Review all spending for Value for Money and Outcome Focus across all services and budgets, including General Fund, Housing Revenue Account, Capital and external funding, Companies, Traded Services (i.e. Schools);
- b. **Equal Pay Resolution** – Roadmap of activities to understand and resolve the Equal Pay challenges, including detailing the potential costs over the next 5 years;
- c. **MTFP and Budget** – Quantification and remediation of the budget gap, revising the MTFP (next four financial years, Long-Term Financial Plan (next ten financial years), and Budget setting process. This will include the identification and delivery of savings, to be owned by the Corporate Leadership Team and Cabinet; and

- d. **Workforce** – Ensuring recruitment and retention is not at risk within the workforce, and developing contingency, creating capacity and flexibility, and exploring staff and people costs, including agency and interim costs.

6.10 The Operational work streams are:

- a. **Mandatory Spend Controls** – Implementation of mandatory spend controls, as outlined above, and the delivery of in-year spending savings through these controls, including Collection/Recovery of Income, balance sheet controls and use of Minimum Revenue Provision;
- b. **Oracle Remediation** – Activities to achieve Safe and Compliant, Stabilisation, and Optimisation of the Oracle Fusion implementation;
- c. **Governance and Controls Framework** – Review and remediation of governance and key financial controls, including but not limited to Internal Audit, Procurement, Value-for-money, Risk Management, Annual Governance Statement;
- d. **Closure of the Accounts** – Activities to deliver accounts for the Council across all financial years that remain open with External Auditors, including any further investigations and assessments; and
- e. **Finance and Governance Capacity and Capability** – Strengthened finance and governance knowledge, capability and capacity to deliver the planned improvements, including development of a Service Improvement Programme.

6.11 Work is already underway against a number of these areas. Each of the nine pillars above has a detailed plan of activities with responsible owners, risks, timelines, and allocated resources against each step.

6.12 The Robust Budget Savings & Recovery Plan will be reported to, and monitored by, the Finance Governance Board.

7 Next Steps

7.1 Significant work is required over the next few weeks to deliver on the proposed Budget Savings & Recovery Plan. A further update will come to Cabinet in October to update the MTFP position and assumptions over the medium term, in advance of the formal budget-setting process for 2024/25.

7.2 The timetable for the 2024/25 budget-setting process is as follows:

Activities	Date
Spending Controls implementation	5 July 2023
Implementation of Budget Savings & Recovery Plan	25 July 2023
Quarter Two Update on MTFP assumptions, budget position to Cabinet	10 October 2023

Budget engagement on resource prioritisation	Mid October – December 2023
Scrutiny of budget development proposals and Scrutiny review of Budget Savings & Recovery Plan for 2024/25 budget	November/December 2023
Provisional Local Government Settlement	Mid December 2023 (TBC)
Cabinet – setting of council tax and business rate tax base	16 January 2024
Final Local Government Settlement	January/February 2024 (TBC)
Cabinet consideration of the 2023/24 budget and Financial Plan	13 February 2024
Full Council approval of 2023/24 budget and setting of Council tax	28 February 2024

8 Next Steps

- 8.1 The Council believes that it is important that it engages with citizens and business when planning activity and the financial implications of those plans. An engagement plan is currently in development, focusing on gathering the views of Council Tax and Business Rates payers to feed into the 2024/25 budget setting process.

9 Risk Management

- 9.1 There remains significant uncertainty in respect of public spending levels and the level of funding for local government and therefore the assumptions outlined in this report will be subject to continual review over the coming months to ensure that the Council's short term and medium term financial stability can be protected and critical services delivered.

10 Compliance Issues:

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

- a. The Robust Budget Savings and Recovery Plan is an essential part of the Medium Term financial planning process. This will be informed by the priorities that led to its implementation, namely to provide a stable footing for the future financial position of the Council. In doing so, the Robust Budget Savings and Recovery Plan will seek to support the delivery of the Council's priorities, as laid out in the Council Plan, wherever possible within current and potential financial constraints. The

MTFP must remain focused on social justice, frontline services and the needs of residents and communities of the city.

10.2 Legal Implications

- a. A local authority is required under the Local Government Finance Act 1992 to produce a balanced budget.

10.3 Financial Implications

- a. The detailed financial implications have been covered throughout the report.

10.4 Procurement Implications (if required)

- a. There are no procurement issues arising directly from the contents of this report. Any procurement implications will be identified as specific budgets are developed.

10.5 Human Resources Implications (if required)

- a. There are no specific human resources implications arising from this report. Any Human resource implication will be identified as specific budgets are developed.

10.6 Public Sector Equality Duty

- a. In compliance with the Council's duties on equality, changes in the budget that impact on the provision of services will need to be properly assessed. An Equalities Impact Assessment will be undertaken on proposals as they are developed where this is considered necessary to do so.



Department for Levelling Up,
Housing & Communities

Max Soule

Deputy Director, Local Government Stewardship

**Department for Levelling up, Housing and
Communities**

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London SW1P 4DF

www.gov.uk/dluhc

Deborah Cadman OBE
Chief Executive
Birmingham City Council

By email

19 September 2023

Dear Deborah

I am writing to invite your Authority, if it wishes, to make representations to the Secretary of State about the intervention package that he is proposing. This letter will be published on www.gov.uk.

The Secretary of State has carefully considered the evidence available. He is satisfied that your Authority is failing to comply with the requirements of Part I of the Local Government Act 1999 (the "1999 Act"), namely failing to comply with the Best Value duty, due to the Authority's handling of its significant equal pay liabilities, governance concerns and systematic service weakness.

On that basis, he is considering exercising the powers of direction sections 15(5) and (6) of the 1999 in relation to your Authority to secure its compliance with the Best Value duty. The proposed intervention package is formed of two complementary parts: the first is a series of Directions which are set out at Annex A accompanied by a summary of the evidence that has led the Secretary of State to conclude that intervention is necessary and expedient to secure compliance with the best value duty. The proposed Directions provide Commissioners with the Authority's functions concerning governance and scrutiny of strategic decision making, all functions associated with the strategic financial management of the Authority, all functions relating to the appointment, designation and dismissal of persons to positions as statutory officers, all functions associated with the Authority's operating model and all functions pertaining to the performance management framework for officers holding senior positions and their recruitment. As well as this the Directions require the Authority to prepare an improvement plan within 6 months and report to Commissioners on said plan.

The second part is that the Secretary of State proposes to direct a local inquiry, which could consider the more fundamental questions around how Birmingham got to this position, assessing the Authority's ongoing management of issues identified in the Kerslake review of the Authority in 2014 and the subsequent non-statutory intervention, and considering options for how it can become a sustainable organisation moving forward that secures best value for its residents.

Both parts share a common goal, which is to protect the interests and services of the people of Birmingham.

Your Authority is now invited to make such representations as it wishes about the Secretary of State's proposals. All such representations should be sent to interventions@levellingup.gov.uk, or in hard copy to the postal address above marked for my attention, to be received on or before **Tuesday 26 September 2023**. They will then be carefully considered by the Secretary of State. The Secretary of State considers the exceptional level of financial issues, significant governance concerns and the risks that these pose to your Authority's services and stability to be sufficiently urgent to carry out a shorter representations period than standard.

I am copying this letter to your Authority's Interim Section 151 Officer and Monitoring Officer.

Yours sincerely,

Maxwell Soule
Deputy Director, Local Government Stewardship

PROPOSED INTERVENTION PACKAGE

1. The Secretary of State is considering exercising his powers of direction under section 15 of the Local Government Act 1999 (“the 1999 Act”) in relation to Birmingham City Council (“the Authority”) to secure its compliance with the best value duty. He has considered the evidence, including the serious governance and service delivery concerns raised by three independent sources (the Local Government and Social Care Ombudsman, the Housing Ombudsman and the Department for Education’s Commissioner for Special Educational Needs and Disability at the Council); the flawed implementation of a new financial ledger system, Oracle; and the Authority’s handling of its significant equal pay liabilities, alongside the Section 114 notice issued on 5 September 2023.

2. The Authority has been beset by systemic failings over several years including poor culture, weak governance, a challenging relationship with trade unions and ineffective service delivery. These failings have been exacerbated by instability and churn at senior officer level. The Authority was in non-statutory intervention from 2015-2019 with an Advisory Panel, following the Kerslake report into the Trojan Horse affair. This found failings in governance, transparency, and financial management. The evidence from independent sources outlined above, alongside the Section 114 notice, highlight failings of great seriousness and provide evidence of significant and systemic best value failure. In light of this evidence, the Secretary of State is minded to implement the intervention package set out below. The Secretary of State believes the proposed intervention is necessary and expedient to secure compliance with the best value duty.

3. The Secretary of State has set out his proposals in order to assist the Authority to formulate any representations it may choose to make. He acknowledges that, save in cases of urgency, the Authority has a statutory right to make representations if the Secretary of State is considering making a direction. The Secretary of State considers the exceptional level of financial issues, significant governance concerns and the risk that these pose to the Authority’s services and stability to be sufficiently urgent to carry out a shorter representations period than standard. He will carefully consider those representations in deciding whether to make any and if so what Directions. He specifically reserves his ability to make further or revised Directions after implementing this, or any, intervention package (if that is what he decides to do).

Overall purpose and approach

4. The starting point is the evidence which highlight serious financial and governance concerns:

- On governance, whilst the Authority have commissioned an independent review which is due to report in the next few weeks, the seriousness and scale of the Equal Pay liabilities and failed implementation of the Oracle financial ledger system (estimated to be up to £100 million) highlight critical weaknesses in the Council’s broader internal control environment. There are also media reports of an internal report by the Labour Party that found a ‘dysfunctional’ climate amongst members, with associated implications for good governance and effective scrutiny.

- On financial governance, concerns have been present since the original intervention in 2015 and have been recently precipitated by the Authority's handling of the issues relating to Equal Pay and Oracle. The Section 114 notice was issued due to several factors, including correspondence from the external auditors Grant Thornton raising concerns around the provisions for Equal Pay in prior year accounts. Their assessment was that the size of the revised estimated Equal Pay (which the Authority currently estimates to be up to £760 million) means that the 2020/21 and 2021/22 accounts were materially misstated, and that the Authority did not have sufficient reserves to mitigate the cost of the liability due for these years. In addition to the acute financial position stemming from equal pay, the Authority is dealing with other difficulties. These include the costs of resolving the Oracle implementation, estimated at £100m, and the Authority's lack of progress in delivering planned savings – and that is before accounting for the potential liability relating to equal pay.
- On culture and leadership, the Authority has experienced extremely high levels of churn of senior staff in recent years. In the eight years prior to 2022, and following the 2014 Kerslake report, there had been nine chief executives and nine directors of children services. The Kerslake review also highlighted a culture of sweeping problems under the carpet or blaming them on others, rather than tackling them head-on.
- On services, the Authority has historic issues with its waste services as shown in the non-statutory intervention and recent cases considered by the Local Government and Social Care Ombudsman; a Department for Education Special Educational Needs and Disabilities intervention is in place; and the Local Government Social Care Ombudsman and Regulator of Social Housing have recently raised significant concerns with the Council about service delivery. The ongoing Equal Pay dispute is also causing continued friction with Trade Unions and there are risks of industrial action and impacts to service delivery.
- On capacity or capability to improve, the Kerslake review found that successive administrations had failed the City. It warned that the Authority lacked a clear vision, had failed to tackle deep-rooted problems such as low skills and was not doing enough to provide consistently good quality services. These problems have endured as highlighted by the Equal Pay liability issue and failed implementation of the Oracle financial ledger system.

5. The Secretary of State considers that given the evidence of financial and governance concerns, and the scale of the equal pay liabilities, intervention is necessary and expedient to address the circumstances of the Authority.

Draft Directions

6. The proposed package is centred on the appointment of Commissioners who would assume functions, as described in the enclosed draft Directions. The Commissioners will be backed by Directions, also enclosed in draft, issued to the Authority requiring them to take specific actions as a necessary and expedient action to secure compliance with their Best Value Duty.

7. Ministers will reflect on Commissioner appointments during the 'minded to' period to ensure they are fit for purpose to support the Authority moving forward. Given the scale of the issues the Secretary of State proposes that Directions to the Authority should be in place for five years, noting that the Authority's situation is severe, and the improvement and recovery journey is likely to take a number of years. If the Secretary of State considers at any time that it would be appropriate to change Directions or withdraw them, then he will do so. His concern will be to ensure that the Directions operate for as long, but only as long, and only in the form, as he considers it should operate in order to secure the objectives set out above.

ACTION THE AUTHORITY IS REQUIRED TO TAKE

In this Annex, the following expressions have the following meanings –

“the Authority” includes the Leader of the Council, Cabinet Members, any committee or sub-committee; and any other person who has responsibility for the matter in question.

The actions to be taken by the Authority are:

1. Prepare and agree an Improvement Plan, which considers actions to secure continuous improvement and restore public trust across all the Authority’s functions with a particular focus on housing, waste, finance, HR, governance and corporate services; to the satisfaction of the Commissioners (which may include or draw upon improvement or action plans prepared before the date of these Directions), within 6 months, with resource allocated accordingly.
2. In the first 12 months to review the provision and operation of corporate services, (including HR, legal, internal audit, risk management, IT and systems, procurement and the PMO), to enable and support the effective delivery of front-line services and the smooth running of the authority, and to implement any required changes thereafter to the satisfaction of Commissioners.
3. To secure as soon as practicable that all the Authority’s functions are exercised in conformity with the best value duty thereby delivering improvements in services and outcomes for the people of Birmingham.
4. To report to the Commissioners on the delivery of the Improvement Plan at 6 monthly intervals, or at such intervals as Commissioners may direct.
5. To undertake in the exercise of any of its functions any action that the Commissioners may reasonably require to avoid so far as practicable incidents of poor governance, poor financial governance or financial mismanagement that would, in the reasonable opinion of the Commissioners, give rise to the risk of further failures by the Authority to comply with the best value duty.
6. To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:
 - a. to any premises of the Authority;
 - b. to any document relating to the Authority; and
 - c. to any employee or member of the Authority.
7. To provide the Commissioners, at the expense of the Authority, with such reasonable amenities and services and administrative support as the Commissioners may reasonably require from time to time to carry out their functions and responsibilities under these Directions.

8. To pay the Commissioners reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.
9. To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request.
10. To co-operate with the Secretary of State for Levelling Up, Housing and Communities in relation to implementing the terms of these Directions.

FUNCTIONS OF THE AUTHORITY TO BE EXERCISED BY THE COMMISSIONERS

In this Annex –

“The Authority” includes the Leader, Cabinet Members, any committee or subcommittee; and any other person who has responsibility for the matter in question.

“Statutory Officer” means any of: the Head of Paid Service designated under section 4(1) of the Local Government and Housing Act 1989; the Chief Financial Officer designated as having responsibility for the administration of the Authority’s financial affairs under section 151 of the Local Government Act 1972; the Monitoring Officer designated under section 5(1) of the Local Government and Housing Act 1989; and the Scrutiny Officer designated under section 9FB of the Local Government Act 2000 (and the expressions “statutory officer” and “statutory office” are to be construed accordingly).

“Senior positions” are defined as the Chief Executive, direct reports to the Chief Executive and their direct reports – tiers one, two and three.

The Commissioners shall exercise:

1. All functions associated with the governance and scrutiny of strategic decision making by the Authority.
2. All functions associated with the financial governance and scrutiny of strategic financial decision making by the Authority.
3. The requirement from section 151 of the Local Government Act 1972 to make arrangements for the proper administration of the Authority’s financial affairs, and all functions associated with the strategic financial management of the Authority, to include:
 - a. providing advice and challenge to the Authority on the preparation and implementation of a detailed action plan to achieve financial sustainability and to close any short and long-term budget gaps identified by the Authority across the period of its medium-term financial strategy (MTFS), including a robust multi-year savings plan;
 - b. providing advice and challenge to the Authority in the setting of annual budgets and a robust medium term financial strategy (MTFS) for the Authority, strictly limiting future borrowing and capital spending;
 - c. scrutiny of all in-year amendments to annual budgets;

- d. the power to propose amendments to budgets where Commissioners consider that those budgets constitute a risk to the Authority's ability to fulfil its best value duty;
 - e. providing advice and challenge to the Authority on the preparation of sustainable and affordable capital, investment and treasury management strategies; a strict debt reduction plan; and a revised minimum revenue provision (MRP) policy;
 - f. providing advice and challenge to the Authority on a suitable scheme of delegations for financial decision-making; and
 - g. ensuring compliance with all relevant rules and guidelines relating to the financial management of the Authority.
4. All functions relating to the appointment and dismissal of persons to positions the holders of which are to be designated as statutory officers, and the designation of those persons as statutory officers, to include:
- a. The functions of designating a person as a statutory officer and removing a person from a statutory office;
 - b. The functions under section 112 of the Local Government Act 1972 of –
 - i. Appointing and determining the terms and conditions of employment of an officer of the Authority, insofar as those functions are exercised for the purpose of appointing a person as an officer of the Authority principally in order for that person to be designated as a statutory officer; and
 - ii. Dismissing any person who has been designated as a statutory officer from his or her position as an officer of the Authority.
5. All functions to define the officer structure for the senior positions, to determine the recruitment processes and then to recruit the relevant staff to those positions.
6. All functions associated with the Authority's operating model and redesign of services to achieve value for money and financial sustainability.
7. All functions pertaining to the development, oversight and operation of an enhanced performance management framework for officers holding senior positions.

Report to all Elected Members of Birmingham City Council
Under
Section 114 (2) of the Local Government Finance Act 1988
By
Fiona Greenway CPFA
Interim Director of Finance (Section 151 Officer), Birmingham City Council
Date of Report: 21st September 2023

Purpose of Report

1. Members of the Council are asked to consider this Report by the Section 151 Officer (the Chief Finance Officer). The Report is made under section 114 (2) of the Local Government Act 1988 because the Section 151 Officer is of the opinion that:
 - a. The omission of a decision by the Council Business Management Committee has resulted in (a) a decision which involves the authority incurring additional expenditure which is unlawful, and (b) the course of action (i.e. inaction) if pursued to conclusion would be unlawful and cause a loss or deficiency on the authority.
2. This Report is being issued alongside a Section 5 Report from the Monitoring Officer, dated 21st September 2023, because:
 - a. The Council Business Management Committee agreed, on Friday 1st September 2023, to proceed with Option 2, on the basis that a signed addendum would be returned to the Council by the three recognised Trade Unions by 09:00 on Monday 11th September 2023.
 - b. On Monday 11th September 2023 two of the recognised Trade Unions responded confirming that they are unwilling to accept the proposed addendum, and the third has not responded to date.
 - c. As a result, the decision made by Council Business Management Committee on Friday 1st September 2023 is no longer valid.
 - d. The Monitoring Officer has since informed the Leader of the Council and Chair of the Council Business Management Committee of the options to move forwards, on Monday 11th September 2023 and Tuesday 12th September 2023.
 - e. A date for the Council Business Management Committee has not been agreed, with no intention to set a date or make a decision as a result.
 - f. There is currently no methodology proposed to resolve the Equal Pay challenges facing the Council, and hence no process to limit the accrual of additional liability past 1st April 2025 (as the current estimates of potential liability of £650m to £760m assume that a new Pay Equity System is implemented on 1st April 2025; at present, the potential liability is accruing at a range of £5m-£14m per month).
 - g. Further details of this omission can be found within the Section 5 Report from the Monitoring Officer dated 21st September 2023.
3. As a result of the omission of a decision by the Council Business Management Committee, and since the liability will now continue to accrue, it is my opinion that the Council is now (a) accruing additional unlawful expenditure in the form of a growing liability, and (b) making a decision (by omitting a decision) that will result in a loss or deficiency for the Council and council tax payers. As such this triggers a notice under section 114 (2) of the Local Government Finance Act 1988.

4. The Section 114 Notice is issued following consultation with both the Chief Executive (Head of Paid Service) and the Monitoring Officer. Following the issuance of the Section 114 Notice the Council has 21 days to hold a meeting of Full Council to consider the Report from the Section 151 Officer and decide how it will respond.
5. The purpose of this Section 114 Report is to make it clear to Members of the Council that immediate steps must be taken to mitigate the additional liability being accrued in relation to Equal Pay after the 1st April 2025. This means a suitable decision must be made such that a process commences to deliver a job evaluation programme (also known as Pay Equity System [PES]) that concludes by 1st April 2025.

Recommendations

6. That Elected Members of Birmingham City Council must consider this Report by Fiona Greenway, Interim Director of Finance (Section 151 Officer/ Chief Finance Officer) issued under Section 114 (2) of the Local Government Finance Act 1988.
7. That this Report must be considered at an extraordinary meeting of Full Council, held no later than the end of 21 days (the maximum allowable period set out within the Local Government Finance Act 1988) from the date of issue of this Report.
8. That Birmingham City Council (by which this means a meeting of Full Council) must decide whether it agrees or disagrees with the views documented within this Report and outline what action it proposes to take because of this Report.

Summary of key issues

9. Regarding the potential Equal Pay liabilities, there are two significant issues that the Council has to address:
 - a. The scale of the potential Equal Pay liabilities – this requires a Financial Recovery Plan to ensure the Council can pay for these liabilities. This was the subject of the S114 Report issued on the 5th September 2023 under section 114 (3) of the Local Government Finance Act 1988.
 - b. Ending the liabilities – by implementing a PES which would prevent the financial liability continuing to grow in the future. This is the subject of this S114 Report, issued as a supplementary document on the date shown, under section 114 (2) of the Local Government Finance Act 1988.

Consequences of a Section 114 (2) Notice

10. The issuing of the Section 114 (2) Report has the following impact on the work of the Council:
 - a. During the 21 day prohibition period the course of conduct which led to the Report being made shall not be pursued.

Legal Framework

11. Section 114 (2) requires that: “The chief finance officer of a relevant authority shall make a Report under this section if it appears to him that the authority, a committee or a joint committee on which the authority is represented—:

- a. has made or is about to make a decision which involves or would involve the authority incurring expenditure which is unlawful,
- b. has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the authority, or
- c. is about to enter an item of account the entry of which is unlawful.”

Next Steps

12. The requirement of this S114 (2) Report is that an Extraordinary Meeting of the Full Council must happen within 21 days at which the Council must agree a response that addresses the issues outlined within this Report. Full Council must consider whether it agrees or disagrees with the views contained within this Report and determine action it proposed to take as a consequence. A failure to do so within the 21 days will lead to the issuance of a further S114 Report.
13. As mentioned above, the Council must make a lawful decision such that a process commences to deliver a PES that concludes by 1st April 2025. A failure to do so will lead to the issuance of a further S114 Report.
14. The timeline for activity over the coming months is as follows:
 - a. 21st September 2023 – Issue S114 Report
 - b. Extraordinary Full Council Meeting by 12th October 2023 latest
 - c. Statutory deadline for Full Council to agree a response to this Report by 12th October 2023 latest

Fiona Greenway CPFA

Interim Director of Finance (Section 151 Officer), Birmingham City Council

21st September 2023

**Report to all Elected Members of Birmingham City Council
Under
Section 5 of the Local Government and Housing Act 1989
By**

Janie Berry, City Solicitor and Monitoring Officer, Birmingham City Council

Date of Report: 21st September 2023

Purpose of Report

1. Members of the Council are asked to consider this Report prepared by the Monitoring Officer. This Report is prepared under Section 5 of the Local Government and Housing Act 1989. I am concerned that the Council has, at the date of this Report, failed to secure a decision relating to the implementation of a job evaluation programme (also known as Pay Equity System [PES]).
2. It is my duty as the Monitoring Officer to prepare a Report to the authority, if at any time it appears to them that:
 - a. *“any proposal, decision or omission by the authority, has given rise to or is likely to or would give rise to a contravention of any enactment or rule of law or of any code of practice made or approved by or under any enactment.”*
3. This includes the proposals, decisions or omissions by any committee or subcommittee of the authority, by any person holding any office or employment under the authority or by any joint committee on which the authority is represented.
4. This Report is published following statutory consultation with both the Chief Executive (Head of Paid Service) and the Interim Director of Finance and s151 Officer.
5. The purpose of this Report issued by the Monitoring Officer is to make it clear to Members of the Council that immediate steps must be taken to secure a robust PES which:
 - a. Is objective, robust and can be consistently applied and be Equality Act 2010 complaint so as to remove the risks of job enrichment, sex discrimination and cannot be open to legal challenge and thus incur future potential equal pay liability; and
 - b. Can mitigate the accruing potential equal pay liability published in June 2023, in the region of £650m-£760m with a monthly accruing liability of between £5m-£14m.

Recommendations

6. That Elected Members of Birmingham City Council consider this Report by Janie Berry, City Solicitor and Monitoring Officer issued under Section 5 Local Government and Housing Act 1989.
7. That this Report be considered at a meeting of Full Council, held no later than the end of 21 days (the maximum allowable period set out within the Local Government and Housing Act 1989) from the date of issue of this Report.
8. That Birmingham City Council (by which this means a meeting of Full Council) decide whether it agrees or disagrees with the views documented within this Report and outline what action it proposes to take because of this Report.

Summary of key issues

9. A number of issues have arisen over an extended timeline:

Context

- a. The context to the decision around a PES can be found within the Council Business Management Committee papers, dated 1st September 2023. The decision of this committee was to agree to proceed with Option 2 as outlined within the appendices to this Report.
- b. The decision by the Council Business Management Committee was required in order to limit the ongoing accrual of a potential liability in relation to Equal Pay which is current estimates to be £650m-£760m, and is accruing at a rate of between £5m-£14m per month after the 1st April 2025. Any extension to the timeline to deliver a PES by this date would incur additional liability.
- c. The quantum of this estimated liability was first shared in February 2023. This demonstrates the significant time period over which this issue has been known.

Timeline

- d. Following a Cabinet Meeting on the 25th July 2023 the funding envelope for a PES was agreed, with the delegated decision for a new PES given to Council Business Management Committee to be agreed at the earliest date.
- e. Council Business Management Committee were initially due to meet on the 17th August 2023. This was reconvened due to a delay in the publishing of papers for this committee, which was driven by the involvement of the Local Government Association in delivery of additional negotiations between Officers and Elected Members.
- f. Council Business Management Committee were subsequently due to meet on 29th August 2023 at an extraordinary meeting. This was opened and adjourned due to the receipt of a letter from Minister Rowley informing the Council of the need to ensure Best Value considerations were suitably included within any decision made by the Council.
- g. Council Business Management Committee met on 1st September 2023, and the Report to be considered excluded two of the four options on the grounds of unlawfulness as a conclusion and under the Council's Best Value duty.

Decision

- h. The decision made on 1st September 2023 to proceed with Option 2, as outlined within the appendices of this Report, was conditional on the agreement of the addendum by the three recognised Trade Unions by 09:00 on Monday 11th September 2023.
- i. At the time of writing this Report, two of the recognised Trade Unions have responded confirming that they are unwilling to accept the proposed addendum and the third has not responded in the time allowed or at all.
- j. I have as such notified the Leader of the Council (and Chair of the Council Business Management Committee) of the potential options to progress a subsequent decision by the committee. Notifications had been made on 11th September 2023 and 12th September 2023.
- k. Following consultation with the Leader on Friday 15th September 2023, the Leader agreed that a Council Business Management Committee would be scheduled to propose approval of Option 4 by the Committee.

- l. I have since received a request on Wednesday 20th September 2023 from the Leader of the Council that Council Business Management Committee does not meet at this time.
- m. As a result of this, currently there is an omission to act or make a decision on the part of the Chair of the Committee.

Consequences of a Section 5 Report

10. The effect of a Report issued by the Monitoring Officer is that the decision in question shall be suspended until the end of the first business day following consideration of the Report by an Extraordinary Meeting of Full Council.
11. During the period between issuing of the Report and the Extraordinary Meeting of Full Council no steps can be taken which give effect to any proposal or decision relating to the issue in question.

Legal Framework

12. In preparation of this Report and pursuant to the Local Government and Housing Act 1989, the Monitoring Officer is required to consult with the Head of Paid Service and the S151 Officer and has done so.
13. Section 5 of the Local Government and Housing Act 1989 requires an extraordinary meeting of Full Council to consider and decide on the contents of this Report within 21 days beginning on the day the of the Report being issued.
14. Further legal implications can be found within the Cabinet and Council Business Management Committee papers which are appended to this Report.

Next Steps

15. The requirement of this S5 Report is that an Extraordinary Meeting of the Full Council must happen within 21 days at which the Council must agree a response that addresses the issues outlined within this Report. Full Council must consider whether it agrees or disagrees with the views contained within this Report and determine action it proposes to take as a consequence.
16. As mentioned above, the Council must make a lawful decision such that a process commences to deliver a Pay Equity Scheme that concludes by 1st April 2025.
17. The timeline for activity over the coming months is as follows:
 - a. 21st September 2023 – Issue S5 Report
 - b. Extraordinary Full Council Meeting by 12th October 2023 latest
 - c. Statutory deadline for Full Council to agree a response to this Report by 12th October 2023 latest

Appendices

- i. Cabinet Report – 25th July 2023
- ii. Council Business Management Committee Report – 1st September 2023
- iii. S114 Report – 5th September 2023

Janie Berry

City Solicitor and Monitoring Officer, Birmingham City Council

21st September 2023

Birmingham City Council

Overview and Scrutiny Committee

13 October 2023



Subject: Birmingham City Council Cost of Living Programme
Report of: Richard Brooks, Director of Strategy, Equality and Partnerships
Report author: Greg Ward, Programme Manager, Cost of Living Programme
Greg.Ward@birmingham.gov.uk
M:07500 809620

1 Purpose

- 1.1 The Council set up the Cost of Living (CoL) programme one year ago in September 2022. The purpose of the Task and Finish Group's report is therefore to consider the performance of the programme over this crucial first 12 months. This scrutiny process, which will be reported at the Co-ordinating Overview & Scrutiny Committee on 13th October 2023, involved three sessions, each focusing on a particular element of the programme.
- 1.2 The first session on 28th July 2023, examined the internal processes involved in delivery. The second, on 22nd September, considered the performance of three of the core work streams: Warm Welcome, Food Provision, and Information, Advice and Guidance, as well as the potential synergies between these delivery strands. The third session, on 28th September, sought to draw together the findings and to formulate recommendations for the future development of the Cost of Living Programme.

2 Approach to the review

Background

- 2.1 In April 2022, the invasion of Ukraine impacted significantly on a world only just emerging from the pandemic. As a result, the energy price cap jumped almost 60 per cent from £1,227 to £1,971. By October, the cap increased further to £2,500 a year – and this was not an absolute cap, it was based on unit costs.

- 2.2 This meant that the average family was projected to pay three times more for energy in 2023-24 compared to 2021-22. Although the government subsequently made provision for an energy subsidy, wider prices were rising at a pace not seen for four decades, particularly for essential items including basic foods.
- 2.3 The Cost-of-Living Emergency has particularly affected Birmingham because the city has high unemployment and low employment rates. The concentration of poverty is also in key ethnic groups, especially Pakistani and Bangladeshi heritage families. The two-child limit for Child Benefit and Universal Credit affects ever more children born after April 2017. There is also multiple disadvantage including from disability (which affects both chances of employment, and household costs). Finally, the housing stock in the city is often in poor condition and poorly insulated, leading to very high levels of fuel poverty.
- 2.4 The Cabinet Paper of the 11th October 2022 stated that our Cost-of-Living response should align with and accelerate longer-term strategic work: for example, Early Intervention and Prevention, and Net Zero. A Strategic Response Group (SRG) was set up to oversee the programme.
- 2.5 Initial mapping of activity and needs identified the following focus areas:
- Ensuring the provision of a network of **warm spaces** across the city.
 - Improving the availability of **advice to residents**, with a focus on increasing benefits take-up.
 - Increasing **energy efficiency**, with a focus on reducing household fuel costs.
 - Increasing the **supply of food** through foodbanks and other food projects across the city.
 - Supporting our **staff**.

Progress to date

- 2.6 Since the beginning of October 2022, the Cost of Living programme has achieved the following:
- The development of a Warm Welcome network of 268 registered Warm Spaces. So far, 232 are in operation.
 - Approximately 140 foodbanks and other food projects were provided with cash contributions to allow continuation of their work over last winter. On a weekly basis, this has provided at least 14,000 people with food. This year we plan to support 170 food projects.
 - At least £2,674,685 in additional benefits maximisation has been identified through CoL programme funded in-person and telephone support.
 - 3,400 homes have received additional energy bill top ups.

- Over 20% of our staff have accessed support to help with the cost-of-living.
- We have created sophisticated datasets to pinpoint households in crisis in order to provide more targeted and multifaceted support.

2.7 It is important to state upfront that the Cost of Living programme was always intended as a coordinating mechanism rather than a new Council service. All the workstreams are led by other departments and teams in the organisation. These include Housing (Warm Welcome network), Public Health (Food Provision), Early Intervention and Prevention (Information, Advice and Guidance), Digital and Customer Services (the Contact Centre IAG and Local Welfare Provision), People, Place and Prosperity (Energy) and People Services (Staff Support).

2.8 The programme has also benefited significantly from a high level of leadership and support from over 400 partners across the city. Indeed, many of the assets including a large majority of Warm Welcome Spaces and Foodbanks are owned and managed by other partners.

Council Scrutiny

2.9 In April 2023, the Cost of Living programme team produced a progress report which was submitted to Cabinet. The programme will also benefit from an internal audit in November. In addition, In July, the Co-ordinating Overview & Scrutiny Committee commissioned this dedicated Task and Finish report to scrutinise progress.

2.10 The Task Group meeting of 22nd September was chaired by Councillor Sir Albert Bore and included Councillors Jack Deakin, Alex Yip, Morriam Jan, and Ray Goodwin. The Task and Finish Group of 28th September was chaired by Sir Albert Bore and included Councillors Jack Deakin, Robert Alden, Penny Wagg, and Ray Goodwin.

2.11 Councillor Goodwin manages the Birmingham Spitfire Centre at Castle Vale. Councillor Goodwin received special dispensation to attend the Task and Finish Group sessions in order to provide expert knowledge and guidance. All interests were declared.

2.12 Please see the terms of reference appended. The Chair of the Task and Finish group particularly emphasised the need to hear the views of external partners. It is important therefore to note that the questions listed in the terms of reference served as a starting point to stimulate discussion and were not all tabled directly.

2.13 The critiques and recommendations for each session are considered below.

Overarching Critiques and Recommendations

3 General Approach to the Cost of Living Programme

Context

- 3.1 This session considered internal processes and governance. This included the role of the Strategic Response Group, the effectiveness of the officer delegated decision making process, budget management and funding, grants allocation, the role of procurement and the evaluation methodology, the approach to partner relationship management and the role of insight and intelligence in the programme.

Critique

- 3.2 The streamlined governance structure, which was facilitated by the decision to delegate spending allocations to the Strategic Response Group is considered to have worked well in view of the need for urgent delivery.
- 3.3 The Financial Reserve allocated to this programme has been carefully managed and the grants provided are considered to have been vital to continued operations by the wider city partners. A major programme with over 400 partners cost only £3.7m in its first year. This represents good value for money.
- 3.4 In Phase 2, there is no allocation from the Council's General Fund for this programme. There will therefore be a reliance on external ring-fenced funding from the Household Support Fund and areas like Public Health. Current financial constraints make finding new resource for this programme, and eliminating departmental duplication, ever more important.
- 3.5 Delivery was procurement compliant.
- 3.6 At the early stage, the immediate set up of the Warm Welcome network and support for the Foodbanks was imperative. There is now an opportunity to consider ways in which the council can ensure the resources for this programme reach more communities in the city and can be adapted and tailored to better fit the needs of individuals and groups.
- 3.7 Administration of the Household Support Fund (c.£25m in 2023/24) was allocated to the Cost of Living Programme by a Cabinet decision in June 2023. This is very welcome but has also created the challenge of setting up the infrastructure for distribution of the fund monies. As the next step, we will further survey the city to ensure that support is going to those in most need and to reach out to new communities with an offer of collaboration and support.

- 3.8 The programme currently focuses on immediate needs such as food, warmth, and financial support. These are however symptoms of an underlying lack of sufficient household income for many in the city who are not currently sharing in the economic opportunities that Birmingham generates. Low employment rates in Birmingham are a key driver of poverty and cost of living problems.
- 3.9 The April Cabinet approved an evaluation framework for the programme. There will be challenges to overcome in ensuring the accurate recording of performance data because there is a need to be sensitive to avoiding stigma in recording outcomes in client group.

Recommendations

- I. An inclusive growth strategy for the City should be developed as part of the legacy of the Cost of Living programme.
- II. More thought needs to go into ensuring that families are aware of cost of living support during the school breaks, when their household costs increase.
- III. While the Strategic Response Group has encouraged departmental collaboration, the programme team should strengthen internal communications to maximise opportunities and avoid duplication with other departments.
- IV. Consideration should be given to the expansion of the SRG to include representatives from business, skills providers and harder to reach communities.
- V. Given current financial constraints, officers should investigate the potential of Lottery Funding and other external resources for cost of living activity.
- VI. Officers should further consider the methodology for recording programme performance data and return to the Council with a proposed approach.

4 Warm Welcome Network

Context

- 4.1 This session considered the variety of Warm Welcome Spaces and how the partners work together. Particular attention (as with all the sessions below) was given to the partners' view of the role of the Council and future opportunities for the network.
- 4.2 The external witnesses for this session were:
- **Fred Rattley, Director for Community Regeneration, Church of England, & Chief Executive, Thrive Together Birmingham.** Fred brings his experience with the introduction of Places of Welcome, as well as extensive local community engagement in Birmingham. As one of the key partners from the outset of the programme, Fred has played a vital role in shaping the concept of the Warm Welcome network. He has continued to use his local knowledge to drive engagement and awareness across the network.

- **Rabiyah Latif, Thrive Together Birmingham's Near Neighbours Co-ordinator.** Rabiyah, working with Thrive and BCC, has engaged extensively with people across Birmingham, providing exceptional value to the engagement efforts in East Birmingham. Rabiyah's work has enabled the project to develop across previously untapped areas and she continues to support the growth and maintenance of the Warm Welcome network.

Critique

- 4.3 As an opening comment, partners felt that the Cost of Living programme was one of the best voluntary sector initiatives they had encountered as there was felt to be a high level of co-production embedded into the initiative.
- 4.4 Despite early use of the phrase “warm banks,” partners were pleased that their advice on the more inclusive branding of the “Warm Welcome” network was taken on board by the Council. Also, that the social rather than just the “physical warmth” element of the offer was made prominent. There is a need to avoid language that stigmatised users. The emphasis therefore had to be on the “social welcome” that the network offered.
- 4.5 An important part of the approach was to work with organisations which had set up Warm Welcome spaces well before the Council's declaration of the cost of living emergency in October last year. The creation of parallel, duplicating facilities was therefore avoided.
- 4.6 Warm Welcome was very much informed by listening to those citizens who had had, or have, a lived experience of poverty. The approach to Warm Welcome is a philosophy rather than a strategy; a philosophy that emphasises dignity and the avoidance of stigma.
- 4.7 The roots are a previous social inclusion enquiry which led to an initiative called *Places of Welcome* and were also in the spirit of *Flourishing Neighbourhoods* which goes back to the year 2000. These earlier initiatives are a poignant reminder that there was significant poverty in the city before the current cost of Living crisis.
- 4.8 The philosophy behind these places is based on the five “P” s: 1) A warm, welcoming **Place**; 2) **Provision** of a hot drink or perhaps some food; 3) **Provision** of advice and support; 4) **Presence**, where everyone is made welcome and there is no isolation; and finally, 5) **Participation**, where everyone has something to offer. The latter point is considered important in terms of encouraging service users to volunteer at their spaces as a way of building confidence and self-worth. A vital element of Warm Welcome is therefore the social interaction that the spaces encourage, and this should be made more prominent in their promotion. This is about bringing people together in a warm, welcoming environment.
- 4.9 Not everyone can visit a Warm Welcome Space and many people cannot leave their own homes. Contact and prevention of loneliness is an area that the Warm Welcome network has developed and will need to take further through an outreach befriending service which will often be technology enabled.

- 4.10 An essential element of Warm Welcome was considered to be the micro grants of £500 which enabled partners to help heat their warm spaces or to buy tea, coffee, and other provisions.
- 4.11 As previously discussed, a future challenge will be to ensure that there is necessary provision across the whole city. The network should reach out to local connectors and community activists and invite them to join the Warm Welcome Network.
- 4.12 The Near Neighbourhood Network has been central to connecting local groups in East Birmingham with the Warm Welcome network. This UK government programme has been in existence for 13 years. It seed-funds partnerships between community and faith organisations. The network is admirably diverse.
- 4.13 One of the findings has been that there are groups in the city who have been operating their own spaces without realising they could be part of a wider network and then be able to access micro grant funding.
- 4.14 Some organisations tend to be better informed than others and this issue highlights the need for co-ordination at a hyper local level. Many local projects are small, and volunteer led. There is therefore little capacity to seek connections with the Council. Some of these groups specialise in a particular demographic or activity. Part of the solution may be to encourage Warm Welcome members to reach out and support their neighbours and local partners.
- 4.15 Another challenge is that a number of groups feel they would need to set up something new and that their current offer and activity would not qualify. Breaking down this perception is necessary to enrich the network and ensure greater diversity and equity. However, some providers also feel comfortable with continuing to offer their bespoke support and do not need or seek wider engagement. This independence should be respected.
- 4.16 There has been a concerted effort to tailor some spaces to certain groups and communities. This drive for diversity is ongoing and should be further encouraged.
- 4.17 There were concerns within the Task and Finish Group that some businesses and partners had difficulty understanding how to engage with the network. An example was a small business that wanted to start a soup kitchen for senior citizens. This company has struggled to engage with the Council on Warm Welcome.
- 4.18 The Warm Welcome network, with 268 spaces registered across the city, is considered to be an important asset for engaging with hard to reach groups. The network needs to provide more services to prevent personal financial crisis.
- 4.19 While some Foodbanks double up as Warm Spaces, a closer working relationship between the wider Warm Welcome network and the foodbanks should be encouraged.

- 4.20 There should be a greater focus on supporting new immigrants to the city. There are nine hostels for newcomers and creating conveniently local Warm Spaces could create more engagement with this cohort.
- 4.21 While there is learning and innovation within the individual workstreams, further cross learning between partners in different workstreams should be encouraged.
- 4.22 Partners were concerned that the Council's current financial situation could lead to a reduction in community space when this was needed more than ever.
- 4.23 A case study was conducted by Cadent Energy who has developed spaces to offer energy advice. By promoting the offer of a meal to communities, rather than just energy advice, they were able to dramatically increase interest. The emphasis here is less on offering a service, and more on offering a relationship. The same approach may work well in encouraging people to seek financial and benefits advice. Sponsorship for the Warm Spaces from Cadent was positively welcomed.
- 4.24 The importance of data was underlined. New data maps being developed by the City Observatory could be beneficial in identifying "deserts" of provision and encouraging proactive engagement with new partners.
- 4.25 The point was made that the current financial situation at Birmingham City Council may have a negative impact with small third sector organisations. The Warm Welcome network can perhaps provide early and preventative support to those organisations that start to struggle.
- 4.26 The Warm Welcome network and the Foodbanks will continue to be a critical point for social connection. It is welcome that around 100 laptops, accessed through the WMCA, have been distributed to the Warm Spaces and can be used to access isolated citizens at home.
- 4.27 Some Warm Welcome members do not have access to corporate largess and must be further supported to access private sector sponsorship. There is a sense that some corporate social giving tends to go to the same partners repeatedly. There is a need to reach out to a wider network of less well-connected partners.
- 4.28 The Council could clarify and focus its "ask" for social value from its supply chains. Steps should then be taken to ensure that the proceeds of this social value are shared fairly across the city. This change should be coupled with a campaign to persuade companies to seek to employ people from harder to reach communities and then to help them develop careers.

- 4.29 There was consensus that the Council should investigate the creation of capacity to enable smaller organisations to obtain grants, and to assist in training on filling out funding applications. Some foodbanks have raised considerable resource; one operation raised £10k. This fund raising knowhow should be disseminated across the network. This applies equally to both the Warm Welcome and Foodbank networks. There was acknowledgement that the opportunity of Lottery Funding for Cost of Living priorities was not taken up because this capacity was not available.
- 4.30 In conclusion, Warm Welcome is an outstanding example of how the Council should engage with communities in the future. The fact that it is not a transactional service but rather a network of relationships was seen as an asset. The Council's convening power and its emphasis on co-production is welcome, as is the desire to ensure the dignity of the clients is protected, while stigma is reduced.

Recommendations

- VII. While the communication effort has been extensive, there is still an uneven awareness of the network across the city. Officers should liaise with the Communications and Citizen Involvement teams to consider how these gaps can be addressed, particularly in connecting with small, hyperlocal groups who may perceive they do not qualify to join the network.
- VIII. Future communications on Warm Welcome should do more to emphasise the social aspects on citizens gathering at warm spaces and the benefits of befriending and social interaction.
- IX. The small business mentioned in the critique should be approached directly by officers, and lessons on engagement with this business should be learned.
- X. The Cost of Living Team should liaise with Youth Services to ensure they are fully aware of and integrated into the Warm Welcome network.
- XI. The location and mapping data of all of the Warm Welcome Spaces should be published on the City Observatory website, and the link circulated to the Members.
- XII. The map of the Warm Welcome Spaces should be shared with Birgit Kehrer from Change Kitchen, so it can be shared with the Food Justice Network.
- XIII. A top priority is to ensure that the three remaining wards, currently not part of the Warm Welcome offer, are able to join the network. These are Small Heath, Birchfield (application pending) and Sutton Four Oaks. Officers should contact local councillors and community groups in these wards to ensure they are connected to this offer.
- XIV. Further steps should be taken to integrate support for citizens on council tax, debt management, benefits, and other financial advice with the Warm Welcome network. The next phase of Warm Welcome should also focus on gaps in provision for specific communities of experience such as youth groups, older people, people fleeing domestic violence and those struggling with social isolation.

- XV. The relaunch of Warm Welcome should encourage cross-learning with other organisations.
- XVI. The potential to obtain new physical spaces for Warm Welcome should be explored further, and council community spaces should be protected and enhanced.
- XVII. Warm Welcome spaces should be located near migrant or newly arrived communities.
- XVIII. Officers should work with the Procurement team to ensure emphasis is given to fighting poverty in the Council's future negotiation on social value with suppliers. This should be coupled with a conscious effort to ensure that any added resources this creates are shared across a wide range of partners. The "ask" should be coupled with a drive to create employment opportunities for economically deprived households.
- XIX. Officers should investigate creating capacity to allow smaller organisations to find grants, and to help with training on filling out funding applications. This applies equally to both the Warm Welcome and Foodbank networks.

5 Food Provision

Context

- 5.1 In this session, the Task and Finish Group examined the Council's support of the Foodbanks. This exercise included a discussion on the cultural appropriateness of the foodbank offer, and the challenge of sustaining foodbank provision in the longer term. Consideration was also given to the use of food pantries and the wider food justice network.
- 5.2 It should be noted that "foodbanks" is a broad term that covers a variety of food providers such as food pantries and social supermarkets.
- 5.3 The external witnesses for this session were:
 - **Birgit Kehrer, Director of Change Kitchen.** Birgit set up Change Kitchen; a social enterprise Community Interest Company (CIC) that utilises surplus food. The CIC also delivers community projects and provides food for those in need. Change Kitchen recently set up a healthy takeaway model that provides nutritious, tasty food on a "pay as you feel" basis.
 - **Florence Cadge, Coordinator for the Food Justice Network (FJN).** Born out of the Pandemic, the network consists of more than 300 individual foodbanks, community cafes, food pantries and other Birmingham food aid organisations. The FJN has created a map to increase awareness of, and increase access to, food projects. Florence was a member of the Council's Food Provision group which delivered action as part of the Cost of Living response. Florence is employed by The Active Wellbeing Society. This organisation received CoL grant money to support their community projects, including for a community cafe (Florence was not present for the grant panel decision related to her employer's grant application.)

Critique

- 5.4 Food insecurity in Birmingham is among the worst in the country. According to data released earlier this year by the Office for Health Improvement and Disparities, around half of the city's citizens, which is around 600,000 people, suffered some kind of food insecurity in 2022.
- 5.5 As stated above, there is a strong justification for supporting foodbanks. After almost 15 years of wage stagnation, Birmingham has an extremely high level of deprivation. It is not only the unemployed who are going to food banks to make ends meet. Both those who are employed, and those on benefits, rely heavily on the sector's support.
- 5.6 Lack of income, rather than food scarcity, drives hunger in Birmingham. As well as falling wages and growing unemployment in 2023, the inflation rate for food and drink in the UK was 14.8%, which is the highest it has been in 40 years.
- 5.7 According to the Trussell Trust, this year, there was a 33% jump in the number of emergency food parcels recipients received and this reflects the hard choices many families must now make.
- 5.8 Forty three percent of citizens live in areas ranked among the most deprived and this is why the Food Justice Network is so important.
- 5.9 There is strong partner support for the Council's Food Provision Team and for the Food Strategy. Both are excellent examples of co-production. Council funding helped with food provision last winter, and also some food training.
- 5.10 The Food Provision work strand actions are aligned with the city's strategic approach. This was laid out in the Food Security and Resilience theme of the Birmingham Food System Strategy, approved in March 2023. The reason the Food Provision element was able to mobilise action so quickly was because of the relationships built across the city during the co-production of the strategy. Please find the link to the strategy.
https://www.birmingham.gov.uk/info/50279/food_revolution/2602/birmingham_food_strategy_system
- 5.11 The other key element was learning from the Covid-19 response, and the food provision action that took place across the city.
- 5.12 The Food Justice Network has also been extremely valuable to the food provision sector. The network has built trust with its members and has helped small and hard to reach organisations to solve their challenges.
- 5.13 Preserving the dignity of the Service Users and creating as sustainable a model as possible, are both core principles.
- 5.14 The Healthy Takeaway Café embraces these principles because it offers more choice and dignity for people and is also more sustainable, because people can pay what they can afford and "pay forward" for others to eat as well.

- 5.15 The Café also recognises a crucial point made in the last session of this group: Participation. The Café trains client users as volunteers and this can lead to mainstream employment. This initiative has been supported by the Council's Public Health team and also by the Mandela project. This is not just about feeding people but helping them to transition into employment.
- 5.16 The Healthy Takeaway Café would like to find out more about how to become a registered Warm Welcome Space and to encourage others in the food provision network to do the same.
- 5.17 Winter is when people struggle the most to pay both energy and food bills. As traditional sources of supermarket and individual support were under significant strain, it was therefore important that the Council supported the foodbanks during this time.
- 5.18 The Council's monthly level of support for food banks was arrived at through consultation and a survey of the commissioning of food by the foodbanks. This helped decide the level of grant for the Council's food aid funding last winter. The amount was £800 a month for six months for approximately 100 Foodbanks.
- 5.19 The estimate of the number of foodbanks in need was based on FJN mapping. It turned out that this was an underestimation and so a further amount of £400 for three months was provided for the additional foodbanks that came forward. This amount reflected the fact that there was approximately three months left of the winter at this time.
- 5.20 There is a need to recognise that the culturally based food needs of certain communities may require additional financial support. There was discussion about whether those foodbanks serving more expensive halal food needed further assistance.
- 5.21 The foodbanks also linked into other available support and the other cost of living work streams. Foodbank partners were asked to consider additional options which would help people who use their service, including signposting to other local support, such as the Warm Welcome Network, Healthy Start vouchers, cost of living resource leaflets, and by signing up as a healthy start vitamin distributor. This was with the support of the Council's information and Guidance teams.
- 5.22 Initially, there was a concern within the Council that the Winter fund might lead to an unsustainable level of dependency. Therefore, there was also an effort to persuade foodbanks to create sustainable capacity, through the purchase of new food preparation and storage equipment. The Council provided the Affordable Infrastructure Fund for equipment, which allowed foodbanks to increase their capacity to offer food support.
- 5.23 There is also a need to shift Council support from that of a simple foodbank offer to more sustainable food interventions such as food pantries, community kitchens and surplus food hubs. This is challenging and not always possible because of the elevated level of immediate need in many of our communities. However, this is only one type of sustainability.

- 5.24 The other type of sustainability was a central theme of the Task and Finish Group discussion and is a more fundamental question: can we permanently reduce the number of people who require emergency food? There are tens of thousands of people across the city who are live in severe poverty. The sustainable solution is to increase incomes across the city. The single most important way of increasing incomes is by increasing employment rates.
- 5.25 A single minimum wage job brings in the equivalent of about £20,000 of income to a household. Such a rise in income would make a significant difference for many families, The employment rate in the city is 10% lower than the national average. That is 70,000 people.
- 5.26 The most significant priority is perhaps youth employment. If more young people are employed, they are more likely to avoid becoming low-income adults with income deprived children.
- 5.27 The Cost of Living programme seeks to provide some additional activity in the skills and employability space this year but given the Council's financial position, this is challenging.
- 5.28 The discussions from the Task and Finish Group reflected a feeling that integration with other services could be taken further. Not only could more foodbanks become Warm Welcome Spaces, but they could offer other services such as support for employment. In this regard, the Healthy Takeaway Café was seen as best practice. Wider employment support of this type would help people with their immediate needs but also assist them to move out of personal crisis.
- 5.29 Foodbanks, particularly food pantries, have a role to play in addressing loneliness by creating an environment conducive to befriending. There was also a suggestion of linking more food pantries to community gardens to create new supply chains and to allow food pantry volunteers to experience food growing in the open air. In the next session on Information, Advice and Guidance, there is further discussion on social isolation.
- 5.30 Fair Share was seen as a vital part of the work of the Foodbanks because the Charity distributes large quantities of food. However, because of the size of their food acquisitions, choice is inevitably restricted, and foodbanks often need to supplement Fair Share food with meat and other proteins.
- 5.31 One of the issues facing Birmingham is there is a lack of infrastructure in the city to break food down into smaller batches that could be distributed to the foodbanks. There is a desperate need for a community kitchen and other infrastructure to make this possible. Having the backing of a scaled network such as the foodbanks might help the Food Justice Network with bargaining with food providers, especially with regard to obtaining fresh foods.
- 5.32 The setting up of Community Kitchens could also encourage people to cook together and therefore to socially interact.

- 5.33 The Incredible Surplus organisation was highlighted as best practice because it intercepts food and other usable materials that would otherwise go to waste from supermarkets, restaurants, and other sources, and provides them to individuals and community organisations on a pay as you feel basis. The enterprise also supports healthy eating training.
- 5.34 As stated above, partners were concerned that the Council's current financial situation could lead to a reduction in community space when this was needed more than ever.
- 5.35 Due to high demand for food provision, some foodbanks are having to limit their support to only one package of food per month rather than weekly. Questions were asked as to whether there could be more external support to increase provision at these organisations.
- 5.36 Finally, partners were keen to emphasise that the Public Health Food team were extremely helpful in setting up the application process for the cost of living grants.

Recommendations:

- XX. With Change Kitchen's agreement, officers should investigate the potential for the Healthy Takeaway Café to become a registered Warm Welcome Space and encourage others in the food provision network to do the same.
- XXI. Officers should investigate whether more foodbanks could offer other citizen support services.
- XXII. Officers should investigate the need to provide additional support to food banks that cater for certain cultural requirements such as halal food.
- XXIII. Officers should investigate whether those foodbanks that are only able to offer one package of food per household per month could be further supported.
- XXIV. New models of sustainable food provision should be included in future grants to the foodbanks.
- XXV. The Council should work with the Food Justice Network to explore the possibility of setting up a Citywide Community Kitchen to break large, donated packages of food into smaller units for the foodbanks.
- XXVI. The Active Wellbeing Society should circulate information on its activities to Ward Members.
- XXVII. Community Food Gardens should be connected with the city's food pantries where this is currently not taking place.

6 Information, Advice and Guidance

Context

- 6.1 The Task and Finish Group wanted to consider the role of the Information, Advice and Guidance (IAG) teams within the Cost of Living Programme. Specifically, the difference from business as usual, the roles of the different agencies and how they work together. The impact of both reactive and proactive support.
- 6.2 The external witnesses for this session were:
- **Shamiela Ahmed, Senior Manager: Programmes, Heart of England Community Foundation.** The Foundation agreed to vary their current Neighbourhood Network Scheme contract to enable the brokering of IAG services to external partners. Shamiela worked with the Cost of Living team to manage the tender process to enable community-based outreach services to be commissioned in wards with the least financial resilience.
 - **Sharon, Client, IAG:** A citizen of Birmingham who has kindly agreed to share her experience of the service provided through the NAIS extended hours. This additional service was funded through the Cost-of-Living programme to support citizens during the crisis.

Critique

- 6.3 The Heart of England Foundation is an independent charity with 28 years of grant funding experience across the West Midlands and Warwickshire. In that time, they have distributed over £33m. For every pound they receive, 93 pence go back into the community; and for every pound invested in the Foundation, they generate £4.18 worth of social value.
- 6.4 In May 2023, £630,000 of new funding for external benefits advice was approved by the Strategic Response Group. There was quite an elongated sign off process because the amount of funding required was too high for delegated officer approval through the Strategic Response Group and required a Cabinet decision.
- 6.5 There was therefore a tight turnaround, in part, because people and communities started to hear about the impending funding. Once a call had been put out, partners fed back that the deadline for the grant applications was too tight and so it was extended.
- 6.6 Heart of England then ran a number of workshops. These were delivered online. Invitees included the Warm Welcome network.
- 6.7 There were 75 applications. Each was assessed by a grants officer from Heart of England and due diligence was carried out on each of the applicants to ensure a fit with the criteria.

- 6.8 Of the original 75 applications, 27 were successful. Efforts were made to ensure a good geographic spread across the city. There were also successful applicants among those organisations that work in a variety of Birmingham languages such as within the Pakistani, Bangladeshi and Chinese communities.
- 6.9 The successful organisations had not been notified at the time of the evidence session, because the Household Support Fund awaited further approval through Spending Control before direct commissioning of these community groups can take place. *[Needs updating before finalisation of paper]*
- 6.10 Sharon is a service user of the Information, Advice and Guidance service. The Chair specifically wanted to thank Sharon for agreeing to act as a witness.
- 6.11 Sharon had originally had a career as a carer. However, the agency that Sharon worked for was offering her less work and what work there was, was often at short notice. Given a drop in her household income, Sharon understandably experienced high levels of stress and depression.
- 6.12 Sharon decided to go to the Jobcentre to see if she was entitled to benefits. The Jobcentre told her she was entitled to a state pension because of her age. However, the state pension only provided for a small proportion of her household needs.
- 6.13 A visit to the Neighbourhood Advice and Information Service (NAIS) yielded new advice. Sharon was provided with full housing benefit & council tax support including a three month backdate. This was a transformation from a zero hour employment structure to increased benefits of £11,385per annum.
- 6.14 The advisor who supported Sharon was from the Erdington Neighbourhood Advice Centre. This advice was provided during the extended hours that were paid for by the Cost of Living programme. Had this additional support not been in place, given the demand for benefits advice, Sharon may have struggled for a timely appointment.
- 6.15 Sharon's helpful testimony brought into sharp relief the need to support people before there is a real personal, health and financial crisis.
- 6.16 As part of the transformation of the Council, which is a key part of the organisation's financial recovery plan, it is imperative that redesign is around a smaller cost base.
- 6.17 A core principle of the redesign is early intervention and prevention. This is because of the budgetary pressures across children's and adult social care, and emergency housing support. These pressures are all costs of failure. They are the costs of people tipping into crisis. Within the current fiscal control arrangements, preventative spending should therefore be allowable if it prevents significant additional costs in the future.
- 6.18 As in Sharon's case, isolation and lack of support can exacerbate money worries. Often the only contact is through facilities such as the neighbourhood shop which provides local human contact.

- 6.19 As stated in the previous session on Warm Welcome and the Foodbanks, people also often come to the warm spaces in search of social contact rather than just warmth.
- 6.20 The way a foodbank works can help address isolation. If the foodbank has a queuing system, people just pick up their food and go. However, if foodbanks are designed to be drop in centres for social interaction, the result can be so much more positive.
- 6.21 Social isolation can also be made worse by the design of wider places, for instance where blocks of flats have no community space or, where benches have been taken away in green spaces. The latter is often to prevent anti-social gathering, but it can also cause social isolation.
- 6.22 As already emphasised above, this is why the preservation of the Council's community spaces is so important. In addition, there may be empty shops that could also be turned into Foodbanks, Warm Welcome spaces, or for wider uses such as cultural venues or "pop up" museums and libraires.
- 6.23 Early Intervention and Prevention through the IAG team is complemented by excellent on-line tools such as self-serve benefit calculators. Gov.uk and "Turn to Us2 offer these tools. The calculators work like Confused.com and Go Compare, but because they are not advertised, there is little awareness of their existence. Warm Welcome and the Foodbanks have a role in promoting these aids to benefit maximisation.
- 6.24 To reach more citizens underclaiming benefit, there is a need for more support from DWP and the Job Centres. DWP work coaches have large caseloads and ten minute appointment slots. They therefore scratch the surface in meeting citizen needs and identifying unclaimed benefits.

Recommendations

- XXVIII. Online benefits support and the use of benefit calculators should be made available to the Warm Welcome Network and Foodbanks.
- XXIX. The Early Intervention and Prevention of personal crisis should be a core principle of the future redesign of the Council.
- XXX. Investment in early intervention for areas that are non-statutory or non-essential could save money in the future. This should be a core principle of Council investment moving forward.
- XXXI. Officers should approach the BIDs to see if there are empty shops that could be turned into community spaces that could help citizens avoid isolation and stimulate community cohesion.
- XXXII. Continue to lobby for more resource to expand the work of the DWP work coaches.

7 Overall Conclusions of the Task and Finish Group

Context

7.1 The Task and Finish Group finally considered some broader conclusions pertaining to all the workstreams within the Cost of Living programme:

Conclusions

7.2 Building citywide networks of Warm Welcome spaces, food provision, and other partners is an effective way of reaching our most excluded citizens. This is about evolving and building the networks and continually drawing in new partners. It is also more about relationship building rather than the transaction of services.

7.3 The co-production element of the Cost of Living programme has released impressive new resource, innovation, and cooperation. This has allowed the strategy to evolve and be flexible in meeting new needs.

7.4 The Cabinet's decision to allow officer delegated decision making in consultation with the relevant Council Cabinet Member and 151 officer made for nimble and frictionless governance. Where decisions were above the allowable level (£500k), the required Cabinet governance process slowed the pace of action dramatically.

7.5 Warm Welcome and the Foodbanks are key tools in combating isolation, championing local residents and creating new preemployment opportunities through volunteering. Foodbanks and Warm Welcome should seek ever closer co-operation.

7.6 Many people in or near crisis will be best reached through other people, through the communities that they live in and the networks that they are already part of. The Cost of Living networks therefore need to growth their partnerships and their diversity so as to include the hardest to reach communities. They will be aided in doing this by ongoing and up to date mapping and data collection.

7.7 The preservation of community spaces is crucial, even in these difficult financial circumstances.

7.8 Early intervention must be a core principle in any redesigned council structure.

7.9 The Council Procurement Team should review their social value policies to seek further support for initiatives that fight poverty.

7.10 It is imperative that Phase 2 of the programme contain a significant level of employment support so as help people generate higher incomes. Incomes that prevent citizens moving from crisis to crisis

7.11 Councillors themselves are at the heart of their communities and are central to the delivery of the next phase of the programme. Members can provide new levels of creativity and innovation built on their knowledge of local best practice. They are the central conduit of their communities.

- 7.12 The Task and Finish Group structure, first used to review the Council's support for Ukrainian refugees, works well in teasing out issues and finding collective, collaborative solutions to the Council's challenges.
- 7.13 In conclusion, the Council's Cost of Living programme has performed well. The programme will benefit from the recommendations in the paper. Further thought should be given as to whether this model might also act as a blueprint for other forms of Council engagement and delivery.
- 7.14 The Task and Finish Group wished to note their appreciation to all the witnesses who gave up their time to provide such valuable feedback on the Council's Cost of Living programme.

8 Evidence Review Sessions

Workshop 1(14/07/23): General Approach to the Cost of Living programme

Workshop 2 (22/09/23): Individual Cost of Living workstreams

Areas of scrutiny: Warm Welcome, Food Provision, Information, Advice and Guidance

9 Any Finance Implications

- 9.1 The Cost-of-Living programme was initially funded in 2022/23 by £5m from the Financial Reserve. Given the Council's current finances the programme was part funded by the monies from the Integrated Care Board (ICB) and the Communities Outbreak Management Fund (COMF) so this along with prudent management of the resources meant that the reserve was not fully utilised in 2022/23.
- 9.2 For 2023/24 the forecast underspend against the reserve will not be spent. Instead, other options are being explored to fund the programme such as the Public Health ring-fenced Grant

10 Any Legal Implications

- 10.1 The legal implications will be considered as and when necessary if the proposals set out in the report are accepted for implementation.

11 Any Equalities Implications

- 11.1 The programme has been subject to a full Equality Impact Assessment and there is ongoing work, as stated above, to continually improve both equality and equity in the programme.

12 Appendices

- 12.1 Cost of Living Scrutiny Task and Finish Group Terms of Reference (July 2023).

13 Background Papers

- 13.1 Cabinet Cost of Living Progress Report (April 2023). [CMIS > Meetings](#)



Appendix 1: Work Outline / Terms of Reference

Cost of Living Programme Task & Finish Project

Reporting to Co-ordinating Overview and Scrutiny Committee

<p>Our key question:</p>	<p>What lessons can be learned from Birmingham City Council's Cost of Living Programme?</p>
<p>1. How is O&S adding value through this work?</p>	<p>City Council in October 2022 agreed a Cost of Living Programme; governance arrangements; areas of focus for this work (food, warmth, energy, benefits, and our staff); and the allocation of £5m of funding to the programme.</p> <p>In April 2023, a progress report was presented to Cabinet, and an extension of the programme is now planned to come to Cabinet in September 2023.</p> <p>The involvement of O&S will help learn the lessons of this programme and consider whether they have wider application across other council initiatives.</p> <p>This will involve:</p> <ul style="list-style-type: none"> • An assessment of the existing Cost of Living programme with a focus on its timeliness and value for money. • An assessment of the lessons learned as highlighted in the April 2022 Cabinet report, and consideration of how these can be applied. • A focus on the involvement of partners across the city, and the value to be gained from this approach. <p>Council therefore asks Scrutiny to bring in associated officers, external partners, and the City Observatory to provide evidence so that the issues can be properly investigated and understood.</p> <p>The Task and Finish Group will consider four main themes:</p> <ol style="list-style-type: none"> 1. Internal processes and Cost of Living programme governance: Including the role of the Strategic Response Group, the effectiveness of the Officer Delegated Decision Making process, budget management and funding, grants allocation, the role of procurement and the evaluation methodology. The approach to partner relationship management will also be considered. Finally, the role of insight and intelligence in the programme. 2. The Warm Welcome network of warm spaces: The definition of a Warm Space and how they are networked together. The growth and development of the network, and the role of partners. The branding and communications. The view of users and how stigma is avoided. Future opportunities for the network. 3. Food Provision and the role of the Foodbanks in the City: Council support of the foodbanks, the issue of the cultural appropriateness of foodbanks. The challenge of sustaining foodbank provision in the longer term. Consideration will also be given to the use of food pantries, the wider food justice network and community fridges.



	<p>4. Information, advice, and Guidance: The difference from business as usual, the roles of the different agencies and how they work together. The impact of both reactive and proactive support. An analysis of the forms of additional benefits that have been identified.</p>
<p>2. What needs to be done?</p>	<p>The Task and Finish Group will receive evidence from officers and partners to consider the following key issues:</p> <p>General:</p> <ul style="list-style-type: none"> • What lessons should be learned from the Cost of Living programme, and can they be applied more widely across the council’s activities? • What were the governance arrangements and how did this affect decision making and delivery? • How was the value for money and the capacity of the providers tested? • How did partners and users feedback on the programme? • How has co-production with partners been achieved? • How has grant funding been implemented, monitored, and evaluated? • Has the overall programme delivered value for money? • How did internal business partners support the process? • How is the programme linked to other council priorities? • How does the approach taken by Birmingham City council compare with other local authorities? • How can the City Council work with the Community and Voluntary sector to maintain and build the good will required to respond to continued Cost of Living pressures and future crises? • Could the overall activities from October 2022 to the present day have been improved? • How can the benefits of the programme be mainstreamed into the council’s ‘business as usual’ activity? • What was the role of the City Observatory? • What is the legacy and how does the council build on this legacy? <p>Themes</p> <p>The Warm Welcome network of warm spaces:</p> <ul style="list-style-type: none"> • What is the definition of a warm space? Why? • How are warm spaces registered for the Warm Welcome network? • How has equality and equity been considered? • Is there a fair geographic spread of spaces? • What activity takes place within the Warm Spaces and how are other services linked into the network? <p>Foodbanks and food provision:</p> <ul style="list-style-type: none"> • What was the justification for supporting foodbanks? • How was the monthly level of support for foodbanks arrived at? • What options were considered in supporting the foodbanks? • Is a dependency culture being created? • Were other food initiatives undertaken and why?



	<ul style="list-style-type: none"> • Consideration will also be given to the use of food pantries, the wider food justice network and community fridges. <p>Information, Advice and Guidance (IAG)</p> <ul style="list-style-type: none"> • What was the additionality over and above business as usual? • What sort of engagement worked best? • How effective has this service engaged with vulnerable households? • Why was support both in-house and outsourced? • What is the relationship with other services?
3. What timescale do we propose to do this in?	The Task and Finish Group will report to Co-ordinating OSC on 13 October 2023 (TBC).
4. What outcomes are we looking to achieve?	To review the Cost of Living programme and learn lessons regarding: the services and support that were provided; how the programme worked internally; how the programme worked with community and voluntary organisations; how the impact and value of this work can be improved.
5. What is the best way to achieve these outcomes and what routes will we use?	<p>The Task and Finish Group will meet several times. This will include</p> <ol style="list-style-type: none"> 1. initial scoping – to be completed by OSC on 14 July 2. an internal review of processes; primarily meeting with officers 3. meetings to cover Warm Welcome spaces, Foodbank support, and Information, Advice and Guidance; primarily meeting with external partners 4. a meeting to agree final recommendations <p>As part of its work, the Task and Finish Group will consider evidence from Officers, Partners, Guests, Users and Community Groups.</p>

Member / Officer Leads

Lead Member:	Chair: Cllr. Sir Albert Bore
Members of the Task and Finish Group:	Cllr. Sir Albert Bore, Cllr Jack Deakin, Cllr Morriam Jan, Cllr Alex Yip and Cllr Ray Goodwin. Where a Member is unable to attend, a named substitute can be nominated.
Lead Officer and support:	<p>Strategy, Equality and Partnerships Directorate will provide support for the Task and Finish Group. Support must be independent of those involved in awarding of grants and delivery of the programme.</p> <p>Support will include:</p> <ul style="list-style-type: none"> • Liaising with members to agree meeting dates • Liaising with Scrutiny Office to book meeting room • Inviting people to give evidence • Agreeing the agenda with the Chair • Circulating agenda and papers in advance of the meeting • Producing a record of Task and Finish Group meetings that is agreed with the Chair / Task and Finish Group members • Producing the report for Co-ordinating O&SC



Birmingham City Council

Co-ordinating Overview and Scrutiny Committee

13 October 2023



Subject: Co-ordinating Overview and Scrutiny Committee Work Programme

Report of: Christian Scade, Head of Scrutiny and Committee Services

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1 Purpose

- 1.1 This report sets out the proposed work programme for the Co-ordinating Overview and Scrutiny Committee for 2023-24. Appendix 1 outlines the topics identified, aims and objectives and the preferred method of scrutiny to achieve these objectives.
- 1.2 The report also refers to other topics, which the Committee has identified, for future consideration. This will be continuously updated during the year.
- 1.3 As agreed in June, the report includes (at Appendix 2) the work programmes from each of the other Overview and Scrutiny Committees. This is to enable scrutiny work to be planned and co-ordinated throughout the year.

2 Recommendations

- 2.1 That the Committee:
 - Notes the information set out in Appendix 1 and identifies if any further topics need to be added to the menu of topics for the Committee to explore over the coming year.
 - Agrees, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider during November 2023 – January 2024, the proposed aims and objectives and the preferred method of scrutiny.
 - Reviews the draft work programmes for the other 7 Overview and Scrutiny Committees, set out in Appendix 2.

3 Background

3.1 The [statutory guidance for local government overview and scrutiny](#) sets out the role it can play in holding an authority's decision makers to account. This makes it fundamentally important to the successful functioning of local democracy.

3.2 Effective Overview and Scrutiny should:

- Provide constructive 'critical friend' challenge.
- Amplify the voices and concerns of the public.
- Be led by independent people who take responsibility for their role.
- Drive improvements in public services.

3.3 The role and functions of Overview and Scrutiny Committees are outlined in [The City Council's Constitution | Birmingham City Council](#) They 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; relevant to the Council's strategic objectives; relevant to major issues faced by officers in managing a function of the Council; and likely to make contribution to moving the Council forward and achieving key performance targets.

3.4 Effective scrutiny needs to add value. A well planned and timely work programme enables Overview and Scrutiny Committees to be involved at the right time and in the right way, and ensure their involvement is meaningful and can influence the outcome.

3.5 Members often have a number of topics suggested to them and are therefore required to **prioritise** matters for consideration. The Scrutiny Framework sets out the following factors to be considered:

- Public interest: concerns of local people should influence the issues chosen.
- Ability to change: priority should be given to issues that the Committee can realistically influence.
- Performance: priority should be given to areas in which the Council and Partners are not performing well.
- Extent: priority should be given to issues that are relevant to all or a large part of the city.
- Replication: work programme must take account of what else is happening to avoid duplication.

Looking Ahead

- 3.6 Overview and Scrutiny Committees will identify a 'menu' of issues (including policy development, policy review, issues of accountability and statutory functions) at the start of the year. Each Committee should then regularly review their 'menu' and decide which issues need to be examined further, and how that work would be undertaken. Scrutiny activities should be thorough and undertaken in a timely manner.

Scrutiny Methods

- 3.7 There are a range of ways to undertake scrutiny. The approach for 2023-24 enables flexible scrutiny and outlines a shift from monthly formal meetings to a combination of approaches. The Committee will choose the most effective scrutiny method to achieve the desired aims and objectives for each topic.
- 3.8 Based on Statutory Guidance published in 2019, different scrutiny methods include (but are not limited to):
- A single item, or items, on a committee agenda – this method fits more closely with the “overview” aspect of the Scrutiny function and provides limited opportunity for effective scrutiny. It is most appropriate for specific issues where the committee wants to maintain a watching brief.
 - A single item meeting, either as the committee or a more limited number of Members. It has the capacity to enhance the previous option by taking evidence from a number of witnesses.
 - A task and finish day - provided that these are properly focused, they ensure Councillors can swiftly reach conclusions and make recommendations and are effective even for complex topics.
 - A task and finish review – this is an enhancement of the previous option being held over four or six meetings spread over a limited number of months.

Terms of Reference

- 3.9 The Committee's terms of reference, set out below, were approved at the Annual City Council meeting on 23 May 2023.

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:

- *Structure and governance of the Council*
- *Communications, internal and external stakeholder engagement*
- *Efficiency and improvement of Council services (with Deputy Leader)*
- *Public policy development at local to international levels*
- *WMCA*

- *Sports and events development (with Cabinet Members for Digital, Culture, Heritage & Tourism and Housing & Homelessness)*
- *Business Improvement Districts*
- *Business change programmes*
- *Efficiency and improvement of Council services (with Leader)*
- *Risk management*
- *Good governance on outside bodies, Council-owned companies and externalised services*
- *Customer services*
- *External scrutiny of the Council*
- *Whistleblowing and complaints*
- *Emergency planning*
- *Legal services*
- *Relationships with stakeholders*
- *Levelling-up, devolution and WMCA*
- *Early intervention and prevention*
- *Social cohesion and inclusion, equalities*
- *Third sector organisations and partner agencies contribution to social cohesion and equalities*
- *Refugees, migration and City of Sanctuary*
- *Open data*
- *Digital inclusion, data protection, cyber security*
- *Arts, museums and tourism*
- *Library of Birmingham and community library services*
- *Promotion of the city's heritage and investment in the city.*

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) overseeing the development and delivery of a balanced work programme of Scrutiny Committees using a range of scrutiny methodologies and reporting regularly to City Council;

e) considering Overview and Scrutiny development, working practices and constitutional arrangements.

4 Work Programme 2023-24

- 4.1 Appendix 1 sets out the topics the Committee will consider over the next few months, and also outlines future items for consideration.
- 4.2 The Committee may decide to add further items to the work programme during the course of the year. When considering this, the Committee is advised to consider where it can best add value through scrutiny, and how it can prioritise topics for consideration based on the Scrutiny Framework referred to in 3.5.
- 4.3 The Council's latest Forward Plan ([click here to view](#)) may assist Members in identifying future topics. In addition, Overview and Scrutiny Chairs are advised to 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.

5 Any Finance Implications

- 5.1 There are no financial implications arising from the recommendations set out in this report.

6 Any Legal Implications

- 6.1 There are no legal implications arising from the recommendations set out in this report.

7 Any Equalities Implications

- 7.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2 The protected characteristics and groups outlined in the Equality Act are Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion and Belief; Sex, and Sexual Orientation.
- 7.3 The Committee should ensure that it addresses these duties by considering them during work programme development, the scoping of work, evidence gathering and

making recommendations. This should include considering how policy issues impact on different groups within the community, particularly those that share a relevant protected characteristic; whether the impact on particular groups is fair and proportionate; whether there is equality of access to services and fair representation of all groups within Birmingham; and whether any positive opportunities to advance equality of opportunity and/or good relations between people are being realised.

- 7.4 The Committee should ensure that equalities comments, and any recommendations, are based on evidence. This should include demographic and service level data and evidence of residents/service-users views gathered through consultation.

8 Appendices

Appendix 1: Co-ordinating Work Programme

Appendix 2: Other Scrutiny Committee Work Programmes

9 Background Papers

9.1 [Birmingham City Council Constitution](#)

9.2 Birmingham City Council Overview and Scrutiny Framework

Co-ordinating Overview and Scrutiny Committee Work Programme 2023/24

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Lead Officer	Cabinet Member / Other Witnesses	Additional Information and Outcome*
14 July	Customer Service Programme Task and Finish Group	The purpose of this report is to provide an update to the December and supplementary January report on the actions of the Co-ordinating Overview & Scrutiny Committee Task and Finish Group, established following the Customer Service Programme update report to Co-ordinating Overview & Scrutiny Committee in September 2022.	Committee meeting – single item	Wendy X Griffiths, AD Customer Services and Business Support	None	Following the meeting in July, it's intended that issues in relation to Customer Services would be passed over to the respective OSC i.e. Waste Management and Bereavement Services to Neighbourhoods OSC; Highways to Sustainability and Transport OSC; and Housing Repairs to Homes OSC.
14 July	Updating the Scrutiny Framework	To consider the updated framework, to agree for further consultation on the draft with the Leader and Deputy Leader and to ask the Scrutiny Office to review and update the various scrutiny procedure notes.	Committee meeting – single item	Christian Scade, Head of Scrutiny and Committee Services		
14 July	West Midlands Deeper Devolution Deal	To provide an overview of the West Midlands Deeper Devolution Deal, with a focus on its implementation and next steps.	Committee meeting – single item (pre-decision scrutiny)	Richard Brooks, Director Strategy, Equalities and Partnerships	Deputy Leader (TBC)	This pre-decision scrutiny item provides an opportunity for the OSC to provide comments before Cabinet meets in September.

Appendix 1

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Lead Officer	Cabinet Member / Other Witnesses	Additional Information and Outcome*
14 July	Cost of Living – scoping	To set up, and confirm terms of reference, for a Task and Finish Group to learn lessons from the cost of living programme and to consider whether they have wider application across other council initiatives.	Task and Finish Group (scoping)	Richard Brooks, Director Strategy, Equalities and Partnerships	TBC	
15 September	Implication of Equal Pay and Medium-Term Financial Plan Update	To update the Committee on the implications of the equal pay announcement and the Medium-Term Financial Plan (MTFP) Update and consider the implications for the Committee’s work programme	Committee meeting – single item	TBC	TBC	Following July’s OSC a workshop to assist with work in this area, facilitated by Ian Fifield, took place on 26 July 2023. Following this, further discussions will be required to help develop a timetable and action plan for scrutiny activity over the autumn period.
13 October	Scrutiny of Delivery of 2023/24 Budget Savings and Update on Council’s Response to Section 114 Notice and Financial Recovery Plan	To enable ongoing scrutiny of the delivery of existing 2023/24 savings. This agenda item also provides an opportunity for the Committee to consider the following and implications for the Committee’s work programme: (a) The report considered at City Council on 25 September on the Council’s Response to the Section 114 Notice and Financial Recovery	Committee meeting – single item	TBC	TBC	To assist with the task above the Scrutiny Team are in the process of contacting other authorities with similar experiences. Feedback on themes identified will be provided at the meeting.

Appendix 1

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Lead Officer	Cabinet Member / Other Witnesses	Additional Information and Outcome*
		Plan. (b) The announcement made by the Secretary of State for the Department of Levelling Up, Housing and Communities in the House of Commons on 19 September and (c) the Section 5 Notice and supplementary Section 114 Notice issued on 21 September.				
13 October	Cost of Living – Reporting back	To consider the findings and recommendations from the Cost of Living Programme Task & Finish Group, which will be established by the Co-ordinating OSC in July.	Task and Finish Group (reporting back / agreeing recommendations)	Richard Brooks, Director Strategy, Equalities and Partnerships	TBC	
17 November	Homes for Ukraine	A response is required from the Cabinet Member for Social Justice, Community Safety and Equalities and from the Chief Executive concerning recommendations made, in April 2023, following work carried out by the Task & Finish Group on the Homes for Ukraine Scheme	Committee meeting – single item (monitoring previous recommendations)	Richard Brooks, Director Strategy, Equalities and Partnerships	Cabinet Member for Social Justice, Community Safety and Equalities Chief Executive	The final report from the Task & Finish Group on the Homes for Ukraine Scheme was published in April. This can be found on CMIS via CMIS > Report while the minutes from this meeting can be found via CMIS > Minutes
15 December	The Elections Act	To consider lessons learned from other local authorities who held elections in May and to consider what measures might be needed for future elections in Birmingham.	Committee meeting – single item	Robert Connelly, AD for Legal and Governance	TBC	At the July OSC it was suggested neighbourhood referendums could also be explored in terms of how the requirement of voter ID

Appendix 1

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Lead Officer	Cabinet Member / Other Witnesses	Additional Information and Outcome*
						impacted these elections, particularly given the demographics of the areas. This would give an opportunity for the Committee to learn from elections within the Council as well as those from other authorities.

*Outcome: This will be fully populated once the item/topic has been completed. It will identify the added value and impact.

Menu of Issues for Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Birmingham Museums Trust and B:Music	To consider the challenges faced by the cultural sector, including the Birmingham Museum Trust (BMT), and B:Music	TBC	This was suggested in July and the Chair agreed to discuss this with Cllr Deakin concerning options for scrutiny to add value
Everyone’s Battle, Everyone’s Business	To consider an update / monitor the implementation of actions in relation to Everyone’s Battle, Everyone’s Business	TBC	TBC
Scrutiny of Emergency 2023-22 Budget	To consider engagement of O&S Committees in the Emergency 2023-22 Budget that will be put to a City Council meeting before the end of October.	TBC	

Scrutiny Method Options: Committee meeting - single item, Committee meeting - single theme, Committee meeting – standing item, Task and Finish Group (outline number of meetings), On location, Other - (describe).

Economy and Skills Overview and Scrutiny Committee Work Programme 2023 / 24

Month	Item/Topic Link with Corporate Priorities	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July 23	Regeneration across the City Corporate Priorities: 1,2,3, 11, 20	How is regeneration and the benefits being spread across the city and what are the main regeneration programmes (not just those areas covered by the OFCP). Input to the OFCP consultation. Further information on the Birmingham Development Plan 2031 and plans for renewing including process and timescale to enable the Committee to schedule work in the work programme.	Committee Meeting single item: Agenda item for OSC meeting on 12 July 23. Deadline for reports: 3 July 23 Venue: Council House, Committee Room 2	Phillip Nell, Director of Property and Investment Simon Delahunty-Forrest, Assistant Director, Inclusive Growth		When considering the timescales for the Birmingham Development Plan Members have identified further work on the impact of the night time economy. Report to Scrutiny Committee November 2021: Planning and Noise (cmis.uk.com) Response submitted following discussion at Committee Meeting to OFCP Consultation
July 23	Increasing the opportunities for employment and skills for young people through the Council's Social Value Procurement Corporate Priorities: 1,2,5,8	What role does procurement have in delivering social value through Council contracts to increase employment and skills opportunities for young people?	Committee Meeting single item: Agenda item for OSC meeting on 12 July 23. Deadline for reports: 3 July 23	Steve Sandercock, Assistant Director Procurement Shariat Rokneddin, Policy and Governance Manager		Issue identified during the Scrutiny Inquiry on Employment and Skills and recommended as issue for work programme for 2023/24)

		<p>What data / information is available to demonstrate the difference this has made? Including any information that Amanda might be able to provide on number of apprenticeships created. Going forward, how will the number of apprenticeships created through social value of procurement be monitored and what systems will be put in place to do this?</p>	<p>Venue: Council House, Committee Room 2</p>	<p>Amanda Lloyd, Principal Employment Officer</p>		
<p>September 23</p>	<p>Increasing the opportunities for employment and skills for young people through the Council's Social Value Procurement</p> <p>Corporate Priorities: 1,2,5,8</p>	<p>What assurance can be provided that the Council contracts are delivering their social value commitments? How is Procurement working with Contract Managers to ensure delivery of social value outcomes? How does this ensure that the contractors deliver added value e.g. the apprenticeships that are created are not just the ones that they would</p>	<p>Committee Meeting single item: Agenda item for OSC meeting on 13 September 23.</p> <p>Deadline for reports: 4 September 23</p> <p>Venue: Council House, Committee Rooms 3&4</p>	<p>Shariat Rokneddin, Policy and Governance Manager</p> <p>Amanda Lloyd, Principal Employment Officer</p>		

		<p>have anyway through the apprenticeship levy? Up to date information / snap shot on the delivery of the top 40 contractors social value commitment with an analysis of this What are the options to develop a system to monitor social value procurement across the council and timescales to deliver this? What can Birmingham learn from other areas of good practice regarding social value procurement and how this is delivered and monitored?</p>				
September 23	<p>Financial Challenges - Scrutiny Contribution to the Budget Savings and Recovery Plan</p> <p>Corporate Priorities: 1,2,3</p>	<p>To consider the implications of Equal Pay and the Medium Term Financial Plan (MFTP) for the Committee’s work programme including agreed savings for 2023/24.</p>	<p>Committee Meeting single item: Agenda item for OSC meeting on 13 September 23.</p> <p>Deadline for reports: 4 September 23</p>	TBC		<p>Agreed at Co-ordinating OSC 14.07.23 that all Scrutiny Committee meetings will include a standing item on implications of Equal Pay within the remit of the Committee.</p>

			Venue: Council House, Committee Rooms 3&4			
October 23	Scrutiny of Delivery of 2023/24 Budget Savings and Update on Council's Response to Section 114 Notice and Financial Recovery Plan Corporate Priorities: 1,2,3	To monitor the agreed savings for 2023/24 as set out in the MFTP.	Committee Meeting single item: Agenda item for OSC meeting on 11 October 23. Deadline for reports: 2 October 23 Venue: Council House, Committee Room 2	TBC		Co-ordinating O&S Committee on 15.09.23 agreed that all committees should have a standing item on the delivery of existing savings for 2023/24 particular to the remit of the Committee.
October 23	Monitoring Recommendations of the Employment and Skills Scrutiny Inquiry Corporate Priorities: 2,5,8		Committee Meeting single item: Agenda item for OSC meeting on 11 October 23. Deadline for reports: 2 October 23 Venue: Council House, Committee Room 2	TBC		

October 23	Local Skills Improvement Plan Corporate Priorities: 1,2	To inform members of Local Skills Investment Plan, the implications for Birmingham and the role of Birmingham City Council and agree any recommendations to support the development of skills in the City.	Committee Meeting single item: Agenda item for OSC meeting on 11 October 23. Deadline for reports: 2 October 23 Venue: Council House, Committee Room 2	Corin Crane, Chief Executive, Coventry & Warwickshire Chamber of Commerce.		LSIP Employer designated representative body: Coventry and Warwickshire Chamber of Commerce Data reported to June E&S OSC showed decrease in Level 2 Qualifications and increase in Level 4 Qualifications between 2019 – 21. Document.ashx (cmis.uk.com)
November 23 (TBC)	Our Future City Plan (TBC) Corporate Priorities: 1,2,3, 11, 20	Further scrutiny of the economic assessment and the sustainability objectives and outcomes of the OFCP to provide feedback / recommendations to inform the Cabinet decision.	Committee Meeting single item: Agenda item for OSC meeting on 11 October 23. Deadline for reports: 2 October 23 Venue: Council House, Committee Room 2	Philip Nell, Director of Property And Investment James Betjemaan, Head of Curzon and Enterprise Zone Development		

*Outcome: This will be populated once the item/topic has been completed. It will identify the added value and impact.

Menu of Issues for Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Meeting with Employers	To understand how Birmingham City Council can support local businesses	Link with existing meeting / event	
Meeting with Youth City Board	To understand the views of young people to inform the work of the Scrutiny Committee To report back on the implementation of the recommendations of the Employment and Skills Scrutiny Inquiry.	Task and Finish Group (1 Meeting) Informal meeting at location with young people e.g., youth centre.	Issue identified during the Scrutiny Inquiry on Employment and Skills and recommended as issue for work programme for 2023/24) Members of the Education and CYP OSC could be invited to attend.
CWG Employment Legacy			
Night-time economy	Following consideration of the Birmingham Development Plan to consider the issues experienced by communities as a result of the night-time economy and how these can be managed / mitigated in future developments.		
East Birmingham Inclusive Growth Strategy	To update the Committee of the implementation of the East Birmingham Growth Strategy.		
Scrutiny of Local Enterprise Partnership (LEP)	To scrutinise the integration of the LEP functions into Birmingham City Council including administration of the legacy funds and Enterprise Zone.		The LEP Scrutiny function no longer exists and there is an expectation that individual local authority arrangements will scrutinise the LEP Integration.

			<p>Link to Cabinet report 27 June on LEP Integration into Birmingham City Council: Document.ashx (cmis.uk.com)</p>
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Scrutiny Method Options:

Committee meeting - single item

Committee meeting - single theme

Task and Finish Group (outline number of meetings)

On location

Other - (describe)

Corporate Priorities, Performance and Outcomes

Corporate Priorities 2022 – 26:

- 1 Support inclusive economic growth
- 2 Tackle unemployment
- 3 Attract inward investment and infrastructure
- 4 Maximise the benefits of the Commonwealth Games
- 5 Tackle poverty and inequalities
- 6 Empower citizens and enable citizen voice
- 7 Promote and champion diversity, civic pride and culture

- 11 Increase affordable, safe, green housing
- 12 Tackle homelessness
- 13 Tackle health inequalities
- 14 Encourage and enable physical activity and healthy living
- 15 Champion mental health
- 16 Improve outcomes for adults with disabilities and older people
- 17 Improve street cleanliness

Economy and Skills OSC

- | | |
|--|--|
| 8 Support and enable all children and young people to thrive | 18 Improve air quality |
| 9 Make the city safer | 19 Continue on the Route to Zero |
| 10 Protect and safeguard vulnerable citizens | 20 Be a City of Nature |
| | 21 Delivering a Bold Best in Class Council |

Information on the Corporate Priorities, Performance and City Outcomes was reported to the Economy and Skills OSC in June 23: [Document.ashx \(cmis.uk.com\)](#)

Education, Children and Young People Overview and Scrutiny Committee Work Programme 2023/24

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July	Children and Young People's Travel Service Corporate Priorities: 8	Assurance to the Committee and public that everything is on track for September. Overview of KPIs, performance and finance. Policy development including travel services for under statutory school age and over 16 year olds, including how decisions are made and what criteria is used. Independent travel training, including the views of young people, and how this has been informed and received by the children, parents and carers. Concerns that have been identified and how these will be addressed. The Committee to agree any comments / recommendations.	Committee Meeting single item: 19 July 2023 at 10am Venue: Committee Rooms 3 and 4, Council House Paper/Presentation Deadline: 10 July 2023	Adrian Weissenbruch, AD, Children and Young People's Travel Service	Stephen Hughes, Interim Deputy Operations Manager Marie Nicely, Travel Assist Supervisor Abdulahdi Mehraj, PMO Manager John Wood, Change Manager Linda Sutton-Howard, IT Project Manager	Outcome Update / Assurance: The Committee were updated on the preparation for the Children and Young People's Travel Service for start of the 2023/24 academic year and independent travel training. It was agreed that a workshop will be held for members.
July	SEND Tribunals Corporate Priorities: 8	To update members to on the process for SEND tribunals including data.	Committee meeting single item: 19 July 2023 at 10am	Helen Ellis, Director, SEND and Inclusion	Kate Harvey, Head of SEND Resolution, SENAR	Agreed at Committee meeting October 2022 (CMIS Link). Outcome:

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
		The Committee to agree any comments / recommendations.	Venue: Committee Rooms 3 and 4, Council House Paper/Presentation Deadline: 10 July 2023			Update / Assurance: The Committee were updated on the SEND tribunal process. Agreed to hold a Councillor Workshop (10.10.23)
July	Performance Update Corporate Priorities: 8	Report on Children's Services Improvement Plan and data. The Committee to agree any comments / recommendations.	Committee meeting standing item: 19 July 2023 at 10am. Venue: Committee Rooms 3 and 4, Council House. Paper/Presentation Deadline: 10 July 2023	Sue Harrison, Strategic Director, Children and Families	Fayth Skeete, Head of Strategic Governance & Planning	Outcome: Update / Assurance: The Committee were updated on the Children's Services Improvement Plan.
September	Performance Update Corporate Priorities: 8	The report will include statutory and non-statutory services, and how performance contributes to efficiencies, such as interims and permanent appointments. The Committee to agree any comments / recommendations.	Committee meeting – standing item: 6 Sep 2023 at 10am Venue: Committee Rooms 3 and 4, Council House	Sue Harrison, Strategic Director, Children and Families	David Fallows, Head of Performance, Business and Commissioning Intelligence	Outcome: Update/ informed work programme: Updated on performance methodology. Scrutiny of data informed decision to deep dive into early years take up (Jan 2024) and school attendance data (hidden children Nov 2023).

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
			Paper/Presentation Deadline: 25 Aug 2023			<p>Further discussions on the focus and format of performance data to be considered at Committee Data Workshop (to be arranged).</p> <p>Additional information on mental health element of Employment Support Programme to be provided to Members.</p> <p>Clarification sought on staff sickness absence percentage figures (days lost to sickness, or the percentage of people sick for each reason).</p>
September	<p>Financial Challenges - Scrutiny Contribution to the Budget Savings and Recovery Plan</p> <p>Corporate Priorities: 8</p>	To consider the implications of Equal Pay and the Medium Term Financial Plan for the Committee's work programme including agreed savings for 2023/24.	<p>Committee meeting – standing item: 6 Sep 2023 at 10am</p> <p>Venue: Committee Rooms 3 and 4, Council House</p>			<p>Outcome: Members were informed of the Q1 budget savings position 2023/24 for areas relating to the Committee remit. Members discussed with Director, Cabinet Member, S115 Officer and BCT Chief Executive the potential impact of S114 notice and</p>

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
			Paper/Presentation Deadline: 25 Aug 2023			financial challenges on service provision and spending.
October	Hidden Children Corporate Priorities: 8	To update the Committee on hidden children including exclusions, suspensions, part time timetables, elective home education, findings of the Inquiry on period poverty regarding attendance during their periods, and information on children that have and have not returned following the pandemic. To consider information and data on the equalities implications of hidden children. The Committee to agree any comments / recommendations.	Committee meeting standing item: 18 October 2023 Presentation/Paper Deadline: 9 Oct 2023 Venue: Council House, Committee Rooms 3 and 4 at 10am	Sue Harrison, Strategic Director, Children and Families	Razia Butt, Director, Children and Families Steve Howell, Head Teacher, City of Birmingham School Barry Bowles, Chair, COBS Tim Boyes, Chief Executive, Birmingham Education Partnership (BEP) Alan Michell, Head of Service for School Admissions and Fair Access David Fallows, Head of Performance, Business and	Duty on local authorities to progress recommendations linked to improving school attendance in Government White Paper by Sept 23 Working together to improve school attendance (publishing.service.gov.uk) Performance information to be included.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
					Commissioning Intelligence Edwina Langley, Lead Practitioner	
October	Scrutiny of Delivery of 2023/24 Budget Savings and Update on the Council's Response to s144 Notice and Financial Recovery Plan Corporate Priorities: 8	For the Committee to consider a report on current and future Budget Savings and Recovery Plan and implications for Education, Children and Young People Overview and Scrutiny Committee Quarter 1, 2 and 3 2023/24 savings to be presented to enable the committee to examine progress of delivery of the 2023/24 savings within the remit of the Committee's terms of reference. Committee invited to consider the implications of Council's response to the Section 114 Notice and Financial Recovery Plan, Secretary of State DLUHC statement to House of Commons, Section 5 Notice and supplementary Section 114 Notice on the scrutiny work programme.	Committee meeting standing item: 18 October 2023 Presentation/Paper Deadline: 9 Oct 2023 Venue: Council House, Committee Rooms 3 and 4 at 10am	Sue Harrison, Strategic Director, Children and Families	TBC	
November	Update on the review of short breaks when	To provide an update on the review of short breaks	Committee meeting single item: 29 Nov 2023	Andy Couldrick, Chief Executive, Children's Trust	Lisa Jamieson Interim Director, Commissioning	

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
	it has been completed (TBC) Corporate Priorities: 8	The Committee to agree any comments / recommendations.	Presentation/Paper Deadline: 20 Nov 2023 Venue: Council House, Committee Rooms 3 and 4 at 10am		and Corporate Parenting Birmingham Children's Trust	
November	Performance Update Corporate Priorities: 8	Report on Children's Services Improvement Plan and data. The Committee to agree any comments / recommendations.	Committee meeting standing item: 29 Nov 2023 Presentation/Paper Deadline: 20 Nov 2023 Venue: Council House, Committee Rooms 3 and 4 at 10am	Sue Harrison, Strategic Director, Children and Families	David Fallows, Head of Performance, Business and Commissioning Intelligence	Workshop to be arranged beforehand.
November	Scrutiny of Delivery of 2023/24 Budget Savings and Update on the Council's Response to s144 Notice and Financial Recovery Plan Corporate Priorities:		Committee meeting standing item: 29 Nov 2023 Presentation/Paper Deadline: 20 Nov 2023 Venue: Council House, Committee	Sue Harrison, Strategic Director, Children and Families		

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
	8		Rooms 3 and 4 at 10am			
January 2024	Birmingham Safeguarding Children's Partnership (BSCP) Annual Report Corporate Priorities: 8, 10	To update the Committee on the children's safeguarding arrangements in the city.	Committee meeting single item: 17 January 2024 Presentation/Paper Deadline: 8 Jan 24 Venue: Council House, Committee Rooms 3 and 4 at 10am	Penny Thompson, Independent Chair, BSCP	Simon Cross, Business Manager, BSCP	
January 2024	Early Years Education Entitlement Deep Dive		Committee meeting single item: 17 January 2024 Presentation/Paper Deadline: 8 Jan 24 Venue: Council House, Committee Rooms 3 and 4 at 10am	Sue Harrison, Strategic Director, Children and Families		Project to increase uptake of early years and profile of families and data on variation of uptake: BCC Early Years - NESTA project Birmingham City Council
January 2024	Draft SEND Sufficiency Strategy		Committee meeting single item: 17 January 2024	Sue Harrison, Strategic Director, Children and Families		

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
			Presentation/Paper Deadline: 8 Jan 24 Venue: Council House, Committee Rooms 3 and 4 at 10am			

*Outcome: This will be populated once the item/topic has been completed. It will identify the added value and impact.

Menu of Issues for Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Child Poverty			
SEND Commissioner	To provide an update on the work of the SEND Improvement Board and identify key areas across SEND services where further work is needed.		
Regular updates on SEND			
SENDIASS	To provide an update on the Improvement plan to meet statutory compliance.		

Item/Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
TBC: Visit for Committee to a school to inform future work.			
UNICEF Child Friendly City			
Post 16		This could be a joint piece of work with the Economy & Skills OSC	
School Attainment (may be February or March)			
Children's Travel Service Workshop		A workshop to be held in the Council House. This could include stalls and meeting the team, and a roundtable discussion.	
A Data Workshop		A workshop to be arranged.	

Scrutiny Method Options:

Committee meeting - single item, Committee meeting - single theme, Committee meeting – standing item, Task and Finish Group (outline number of meetings), On location, Other - (describe).

Corporate Priorities, Performance and Outcomes

Corporate Priorities 2022 – 26:

- | | |
|--|---|
| 1 Support inclusive economic growth | 11 Increase affordable, safe, green housing |
| 2 Tackle unemployment | 12 Tackle homelessness |
| 3 Attract inward investment and infrastructure | 13 Tackle health inequalities |
| 4 Maximise the benefits of the Commonwealth Games | 14 Encourage and enable physical activity and healthy living |
| 5 Tackle poverty and inequalities | 15 Champion mental health |
| 6 Empower citizens and enable citizen voice | 16 Improve outcomes for adults with disabilities and older people |
| 7 Promote and champion diversity, civic pride and culture | 17 Improve street cleanliness |
| 8 Support and enable all children and young people to thrive | 18 Improve air quality |

9 Make the city safer

10 Protect and safeguard vulnerable citizens

19 Continue on the Route to Zero

20 Be a City of Nature

21 Delivering a Bold Best in Class Council

Information on the Corporate Priorities, Performance and City Outcomes was reported to the Education and Children's Social Care OSC in June 23:

[Document.ashx \(cmis.uk.com\)](https://cmis.uk.com/Document.ashx)

Finance and Resources Overview and Scrutiny Committee Work Programme 2023 / 24

The work of the Finance and Resources Overview and Scrutiny Committee underpins the delivery of all Corporate Priorities in the Corporate Plan 2022-26.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July 23	Planned Procurement Activities Report	To consider the Planned Procurement Activities report and scrutinise the governance and spend of Council contracts. The Committee to make any recommendations.	Committee meeting - single item 27 July 2023 Council House Committee Room 6 Deadline for reports: 18 July	Steve Sandercock, Assistant Director, Procurement		Outcome: Assurance of planned procurement activities.
July 23	Update on Stabilisation of the Oracle Financial and HR Management system	To provide the Committee with: Update on the background to the issues with the Oracle system and current challenges Work to address the challenges including governance, risk and timescales Work to learn lessons including governance, risk and timescales Progress on End of Year Accounts including timescales and risks.	Committee meeting - single item 27 July 2023 Council House Committee Room 6 Deadline for reports: 18 July	Fiona Greenway, Interim Director of Finance (S151 Officer)	Meena Kishinani, Director of Transformation	Outcome: Update on Stabilization of Oracle

		The Committee to make any recommendations.				
July 23	Implication of Equal Pay	To provide background to the Equal Pay liabilities for the Council To report on the values work that will underpin the budget recovery plan. Update on the Budget Recovery Plan and the Medium Term Financial Plan. Learning from Local Authority Best Value Intervention Reports The Committee to make any recommendations.	Committee meeting - single item 27 July 2023 Council House Committee Room 6 Deadline for reports: 18 July	Fiona Greenway, Interim Director of Finance (S151 Officer)		Outcome: Update on implications of Equal Pay
July 23	Work Programme	To review the Committee's work programme, agree work to be undertaken during August – November and issues for future consideration To consider the Council's Corporate Risk Register to inform the Committee's work programme.	Committee meeting - single item 27 July 2023 Council House Committee Room 6 Deadline for reports: 18 July	Fiona Bottrill, Senior Overview and Scrutiny Manager		

September 23	Planned Procurement Activities Report	To consider the Planned Procurement Activities (to be considered at Cabinet on 5 th September) report and scrutinise the governance and spend of Council contracts. The Committee to make any recommendations.	Committee meeting - single item 7 September 2023 Council House Committee Room 6 Deadline for reports: 29 August	Steve Sandercock, Assistant Director, Procurement		
September 23	Managing Council Risk including the Strategic Risk Register, Budget Risk and Savings Risks	Update members on risk management to inform Committee work programme	Committee meeting - single item 7 September 2023 Council House Committee Room 6 Deadline for reports: 29 August	Fiona Greenway, Interim Director of Finance (S151 Officer) Sarah Dunlavey, Assistant Director, Audit & Risk Management		It was requested at the July Committee Meeting that the Corporate Risk Register is included as a standing item.
September 23	Update on Budget Recovery Plan and MTFP and Scrutiny Contribution to Budget Savings	To provide the Committee with an update on the current position with regard to the implications of Equal Pay, the Budget Recovery Plan and Values Framework. To consider the Corporate Savings Programme.	Committee meeting - single item 7 September 2023 Council House Committee Room 6	Fiona Greenway, Interim Director of Finance (S151 Officer)		

		The Committee to make any recommendations.	Deadline for reports: 29 August			
September 23	Oracle Stabilisation Update	<p>To provide the Committee with an update, to include:</p> <ul style="list-style-type: none"> • Update on 'Safe and Compliant' • Update on Optimisation High Level Design • Oracle financial position • Key strategic risks from within the Oracle RAID log • Update on Oracle Management Review – including anticipated completion date. <p>The Committee to make any recommendations.</p>	<p>Committee meeting - single item</p> <p>7 September 2023</p> <p>Council House Committee Room 6</p> <p>Deadline for reports: 29 August</p>	<p>Meena Kishinani, Interim Director of Transformation</p> <p>Craig Buckley, Oracle Programme Director</p>		
September 23	Job Evaluation – Permanent Pay Equity	<p>To consider the report on Permanent Pay Equity presented to Cabinet on 25 July.</p> <p>To provide the Committee with an update on activity since that date.</p>	<p>Committee meeting - single item</p> <p>7 September 2023</p>	<p>Deborah Cadman Chief Executive and Head of Paid Service</p> <p>Janie Berry, City Solicitor and Monitoring Officer</p>		

		The Committee to agree how it will provide monitoring and oversight of the delivery of the programme. The Committee to make any recommendations.	Council House Committee Room 6 Deadline for reports: 29 August	Fiona Greenway, Interim Director of Finance (S151 Officer) Darren Hockaday, Interim Director of People and Corporate Services		
October 23	Agenda Items to be confirmed: Possible items include: Planned Procurement Activities Report (standing item) Oracle Update (standing item) Scrutiny of Delivery of 2023/24 Budget Savings and Update on the Council's Response to s144 Notice and Financial Recovery Plan (Standing item) Emergency Budget proposals Road Map for Budget Scrutiny		Committee meeting (TBC) 12 October 2023 Council House Committee Room 6 Deadline for reports: 4 October	TBC		Chair to discuss date of meeting with Chief Executive
October 2023	Proposed Task and Finish of Emergency Budget Proposals (TBC)	TBC	Task and Finish Group Meetings	Fiona Greenway, Interim Director of Finance (S151 Officer)		Option to include Chairs of Scrutiny Committees

November 23	Scrutiny of 2024/25 Budget Proposal	To scrutinise proposals and contribute to the development of the 2024/25 budget	Committee meeting 6 November 2023 Council House Committee Room 6 Deadline for reports: 8 November	Fiona Greenway, Interim Director of Finance (S151 Officer)		
	Planned Procurement Activities (standing item)	To consider the Planned Procurement Activities report and scrutinise the governance and spend of Council contracts. The Committee to make any recommendations.	Committee meeting 6 November 2023 Council House Committee Room 6 Deadline for reports: 8 November	Steve Sandercock, Assistant Director, Procurement		
	Oracle Update (standing item)		Committee meeting 6 November 2023 Council House Committee Room 6	Meena Kishinani, Interim Director of Transformation Craig Buckley, Oracle Programme Director		

			Deadline for reports: 8 November			
	End of Year Outturn		Committee meeting 6 November 2023 Council House Committee Room 6 Deadline for reports: 8 November			

*Outcome: This will be populated once the item/topic has been completed. It will identify the added value and impact.

Menu of Issues for Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Monitoring recommendations of the Procurement Governance Scrutiny Report	To receive an update on the new Procurement and Contract Governance rules	Committee meeting - single item	

Progress Report on Implementation: Council-owned Assets	To track progress on implementation of the recommendations R01 and R02.	Committee meeting - single item	Recommendations R03-R06 were signed off as completed in November 2022.
Diversity and Inclusion Dashboard	<p>Role for O&S in looking at specific aspects of the data and monitoring progress including:</p> <ul style="list-style-type: none"> • Work force planning in relation to age profile of staff. • Disability disclosure and reasonable adjustments • Governance of Everyone's Battle, Everyone's Business (EBEB) and what impact this has made. 	TBC	Possible key questions: How do we acquire new talent? How do we ensure we're attractive to potential new employees? Are we open, accessible, inclusive and do our job descriptions and requirements reflect the needs of the business, but also the reality of life and experience of work for applicants? When is it appropriate to use consultants and how are these decisions made?
Working from Home	To understand the impact on productivity and workforce costs.	TBC	This may be looked at flexibly. Important to note that this item isn't about stopping working from home, but looking at where it is appropriate and whether it works for the needs of the council and its residents.
Visits to inform the work of the Committee			
Council Assets	Scrutiny of Asset Strategy as part of Financial Recovery Plan		
Treasury Management	Scrutiny of the Council's Treasury Management		

Scrutiny Method Options:

Committee meeting - single item

Finance and Resources OSC

Committee meeting - single theme

Task and Finish Group (outline number of meetings)

On location

Other - (describe)

Corporate Priorities, Performance and Outcomes

Corporate Priorities 2022 – 26:

- | | |
|--|---|
| 1 Support inclusive economic growth | 11 Increase affordable, safe, green housing |
| 2 Tackle unemployment | 12 Tackle homelessness |
| 3 Attract inward investment and infrastructure | 13 Tackle health inequalities |
| 4 Maximise the benefits of the Commonwealth Games | 14 Encourage and enable physical activity and healthy living |
| 5 Tackle poverty and inequalities | 15 Champion mental health |
| 6 Empower citizens and enable citizen voice | 16 Improve outcomes for adults with disabilities and older people |
| 7 Promote and champion diversity, civic pride and culture | 17 Improve street cleanliness |
| 8 Support and enable all children and young people to thrive | 18 Improve air quality |
| 9 Make the city safer | 19 Continue on the Route to Zero |
| 10 Protect and safeguard vulnerable citizens | 20 Be a City of Nature |
| | 21 Delivering a Bold Best in Class Council |

Information on the Corporate Priorities, Performance and City Outcomes was reported to Finance and Resources OSC in June 23: [Document.ashx \(cmis.uk.com\)](https://cmis.uk.com)

Health and Adult Social Care Overview and Scrutiny Committee Work Programme 2023 / 24

Month	Item/Topic Link with Corporate Priorities	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July 2023	CQC Pilot Inspection Corporate Priorities: 16	<p>To update the Scrutiny Committee on the pilot CQC Inspection of Adult Social Care Services including Adult Social Care performance.</p> <p>To enable the Committee to provide assurance / recommendations to inform the preparation for the pilot inspection.</p> <p>To understand how the performance of adult social care will be overseen in future and how the role of the HASC relates to the work of the CQC to inform the Committee's work programme</p>	<p>Committee Meeting single item: Agenda item for OSC meeting on 4 July 2023. 10.00am</p> <p>Deadline for reports: 23 June</p> <p>Venue: Council House, Committee Rooms 3 and 4</p>	Professor Graeme Betts CBE Strategic Director Adult Social Care	Andy Cave, Chief Executive, Healthwatch Birmingham	<p>Outcomes: 3 recommendations were made to Strategic Director Adult Social Care following discussion at Committee.</p> <p>The recommendations are captured in the Committee Action Tracker</p> <p>HASC Chair contributed to CQC pilot inspection</p>
July 2023	Integrated Care System Governance: Place Committee and decision-making powers. Corporate Priorities: 16	To inform the Committee of the Governance arrangements of the ICS and the role and responsibilities of the Birmingham Place Board.	Committee Meeting single item: Agenda item for OSC meeting on 4 July 2023. 10.00am	Professor Graeme Betts CBE Strategic Director Adult Social Care	Andy Cave, Chief Executive, Healthwatch Birmingham	<p>Outcomes: 3 recommendations were made the Chief Executive of the ICS following discussion at Committee.</p>

		<p>This will include how the principle of subsidiarity will be implemented in practice, the governance arrangements and how this links with Primary Care Networks and Local Authority locality working.</p> <p>The Committee to agree any comments / recommendations.</p>	<p>Deadline for reports: 23 June</p> <p>Venue: Council House, Committee Rooms 3 and 4</p>			<p>The recommendations are captured in the Committee Action Tracker</p>
July 2023	<p>Scrutiny Work Programme</p> <p>Statutory Health Scrutiny Function</p>	<p>To review the Committee's work programme, agree work to be undertaken during August – November and issues for future consideration.</p> <p>To consider the Council's Corporate Risk Register to inform the Committee's work programme.</p>	<p>Committee Meeting single item: Agenda item for OSC meeting on 4 July 2023. 10.00am</p> <p>Deadline for reports: 23 June</p> <p>Venue: Council House, Committee Rooms 3 and 4</p>	<p>Fiona Bottrill Senior Overview and Scrutiny Manager</p>		<p>Outcome:</p> <p>Comments submitted to inform commissioning of sexual health services based on report and discussion at HASC meeting February 23.</p>
July 2023	<p>Inquiry: Children and young people's mental health</p> <p>Corporate Priorities: 15</p>	<p>Review evidence and develop draft recommendations</p>	<p>Task and Finish Group meeting w/c 18 July</p>	<p>Fiona Bottrill, Senior Overview and Scrutiny Manager</p>		<p>Outcome:</p> <p>Draft recommendations agreed</p>

July 2023	Inquiry: Children and young people's mental health Corporate Priorities: 15	Meeting with key partners to discuss draft recommendations	Task and Finish Group meeting 26 July	Fiona Bottrill, Senior Overview and Scrutiny Manager		Outcome: Draft recommendations discussed.
September 2023	Inquiry: Children and young people's mental health Corporate Priorities: 15	Sign off draft Inquiry report	Task and Finish Group meeting 6 September	Fiona Bottrill, Senior Overview and Scrutiny Manager		Outcome: Draft report agreed
September 2023	Primary Care Enabling Strategy Corporate Priorities: 8, 13, 16	To receive a report on the NHS/ICB Primary Care Enabling Strategy setting out how primary care will be prioritised in the delivery of health and social care in Birmingham	Committee Meeting single item: Agenda item for OSC meeting on 19 September 10.00am Deadline for reports: 8 th September Venue: Council House, Committee Rooms 3 and 4	Anna Hammond, Director of GP Provider Support and Dr Sunando Ghosh, Primary Care Medical Services Board Partner Member		Outcome: Issues identified by Committee to be considered by ICB in further development of the strategy. Requested by ICB to come to September Committee Meeting
September 2023	Scrutiny Contribution to the Budget Savings and Recovery Plan Corporate Priorities: 16	To consider the implications of Equal Pay and the Medium-Term Financial Plan for the Committee's work programme including agreed savings for 2023/24.	Committee Meeting single item: Agenda item for OSC meeting on 19 September 10.00am.	Cllr. Khan, Cabinet Member, Adult Social Care Professor Graeme Betts CBE Strategic Director Adult Social Care	TBC	It was agreed at Co-ordinating in July that all Scrutiny Committees would consider the implications of Equal Pay and the Medium Term Financial Plan at the September Committee Meetings.

			<p>Deadline for reports: 8 September.</p> <p>Venue: Council House, Committee Rooms 3 and 4.</p>			
September 2023	<p>Work Programme report to include Health and Adult Social Care OSC and Joint Health Overview and Scrutiny Committee role in NHS quality assurance.</p> <p>Statutory Health Scrutiny Function</p>	<p>To agree a 2-3 year schedule of reports from NHS Trust based in / serving Birmingham and Joint HOSC areas including:</p> <p>CQC report Quality Account Analysis of complaints and how this has driven service improvement. Key risks / issues for the Trust and plans to address these.</p> <p>The Committee to agree any comments / recommendations.</p>	<p>Agenda at HASC OSC Committee Meeting 19 September 10.00am</p> <p>Deadline for reports: 8 September.</p> <p>Venue: Council House, Committee Rooms 3 and 4.</p>	Fiona Bottrill, Senior Overview and Scrutiny Manager		<p>Outcome: Committee agreed approach to scrutiny of healthcare systems to be reported to the HASC.</p> <p>NHS Trusts based in / serving Birmingham: UHB BWCT NHS FT Sandwell and West Birmingham Birmingham CHT BSMHFT Royal Orthopaedic NHS FT WMAS</p>
October 2023	<p>Inquiry: Children and young people's mental health</p> <p>Corporate Priorities: 15</p>	<p>Task and Finish Group to agree consider comments received on draft report</p>	<p>Task and Finish Group meeting on 4th October.</p>	Fiona Bottrill, Senior Overview and Scrutiny Manager		<p>All Members of the Committee will be invited to this meeting to be informed of issues and recommendations.</p>

October 2023	Scrutiny Contribution to the Budget Savings and Recovery Plan Corporate Priorities: 16	To consider the implications of Equal Pay and the Medium-Term Financial Plan for the Committee's work programme including agreed savings for 2023/24.	Committee Meeting single item: Agenda item for OSC meeting on 17th October 10.00am. Deadline for reports: 5th October. Venue: Council House, Committee Rooms 3 and 4.	S.151 Officer or senior member from Finance Dept (Mohammed Sajid TBC) Cabinet Member TBC Adult Social Care- Prof. Graeme Betts or Senior member of ASC team (TBC).	TBC	It was agreed at Co-ordinating in July that all Scrutiny Committees would have this item on agenda for all meetings until further notice. To be a standing agenda item all HASC meetings going forward.
October 2023	Monitoring implementation recommendation R01 from Scrutiny Inquiry on Legacy of Commonwealth Games Corporate Priorities: 4 & 14	To update on the development of the inclusive Sports Strategy and Activity City Strategy. The Committee to agree any comments / recommendations.	Committee Meeting single item: Agenda at HASC OSC Committee Meeting 17 October, 10.00am. Deadline for reports: 5th October. Venue: Council House, Committee Rooms 3 and 4, 10am.	Lynda Bradford, Interim Service Lead, Physical Activity, and Dave Wagg, Head of Sport & Physical Activity.		Inquiry report available from: Document.ashx (cmis.uk.com) Recommendations to be completed by October 2024 R01: b) Provide an outline of how the insight and experience of disabled citizens will inform the new Sport and Physical Activity strategies. d) Continue to build upon the new partnerships developed through the CWG, and work with the Birmingham Disability Sports Forum to maximise

						<p>the impact of the strategy and understanding the range of activity on-going in the city</p> <p>Corporate Performance and Delivery Plan milestones City Operations Sport Strategy to be concluded by Mar 24. Public Health Physical Activity milestone delivery date of Dec 23</p>
October 2023	<p>Access to community dental services.</p> <p>Corporate Priorities: 13, 14</p>	<p>To receive a report from the ICS to understand the issues relating to access to dental services in Birmingham and the impact this has on oral health.</p> <p>Based on this information the Committee may decide to undertake further work through a Task and Finish Group.</p> <p>The Committee to agree any comments / recommendations.</p>	<p>Committee Meeting single item: Agenda at HASC OSC Committee Meeting 17 October, 10.00am</p> <p>Deadline for reports: 5th October</p> <p>Venue: Council House, Committee Rooms 3 and 4.</p>	<p>Paul Sherriff, Chief Officer, Partnerships & Integration, B/Sol ICB and Alastair McIntyre, Managing Director, Office of the West Midlands.</p>	<p>Andy Cave, Healthwatch (TBC)</p>	<p>This is regional service and timescale dependent on ongoing work at BSOL and regional level.</p> <p>Link to Healthwatch report on accessing dentistry services: Impact report: Changes to accessing NHS dentistry in Birmingham and Solihull - Healthwatch Birmingham</p> <p>Following this report the Committee may wish to undertake further work through a Task and Finish Group.</p>

November 2023	<p>Scrutiny Inquiry on Children and Young People's Mental Health</p> <p>Corporate Priorities: 15</p>	<p>To approve the report and agree the recommendations of the Children's and Young People's Scrutiny Inquiry and note any recommendations to go to City Council on 7th November</p>	<p>Committee Meeting single item: Agenda at HASC OSC Committee Meeting 21st November 2023 10.00am.</p> <p>Deadline for reports: 7th November</p> <p>Venue: Council House, Committee Rooms 3 and 4</p>	<p>Cllr. Mick Brown, Chair of Inquiry Task and Finish Group</p>	<p>Fiona Bottrill, Senior Overview and Scrutiny Committee Manager.</p>	
November 2023	<p>Day Review Opportunities update.</p> <p>Corporate Priorities: 16</p>	<p>To update the Committee on the policy development on the Day Opportunities Service to enable Scrutiny to inform the Cabinet decision.</p> <p>The Committee to agree any comments / recommendations.</p>	<p>Committee Meeting single item: Agenda at HASC OSC Committee 21st November 2023 10.00am</p> <p>Deadline for reports: 7th Nov</p> <p>Venue: Council House, Committee Rooms 3 and 4</p>	<p>Dr Temitope Ademosu Assistant Director - Adult Social Care (Community services and EDI)</p>	<p>The EPT (Empowerment Team)</p>	<p>City Observatory: Request demographics information to understand future demand for services.</p>

November 23	Quality Report from ICB Corporate Priorities: 13,15,16	To inform the Committee of the quality assurance processes across the ICB systems and enable the Committee to prioritise system focussed quality reports to future meetings.	Committee Meeting single item: Agenda at HASC OSC Committee 21st November 2023 10.00am Deadline for reports: 7th Nov Venue: Council House, Committee Rooms 3 and 4	Paul Sherriff, Director of Partnerships and Integration NHS Birmingham and Solihull.		
December 2023.	Adult & Social Care Q2 Performance Monitoring Corporate Priorities: 16	Report on red rated performance indicators; 5 performance indicators chosen by HOSC for in-depth examination and the complete set of Adult Social Care performance indicators	Committee Meeting single item: Agenda at HASC OSC Committee 19th December 2023 10.00am Deadline for reports: 7th Dec. Venue: Council House, Committee Rooms 3 and 4	Maria Gavin, AD, ASC (TBC)		
Jan 2024.	Birmingham Safeguarding Adult Board (BSAB) Annual Report 2022/23	To update the Committee on the children's safeguarding	Committee meeting single item: 24 January	Dr Carolyn Kus, BSAB Chair www.bsab.org		Birmingham Safeguarding Adult Board (SAB) Annual Report 2022/23

	Corporate Priorities 10.	arrangements in the city.	<p>2024.</p> <p>Presentation/Paper Deadline: 11th January 2024</p> <p>Venue: Council House, Committee Rooms 3 and 4 at 10am</p>			<p>Recommendation from Co-ordinating OSC that all OSCs consider relevant aspects of Domestic Abuse in the work programme. To consider Adult Safeguarding Issues related to Domestic Abuse.</p> <p>The Neighbourhoods OSC work programme includes informing the development of the new Domestic Abuse Prevention Strategy</p>
January 2024.	<p>Birmingham and Lewisham African and Caribbean Health Inequalities Review (BLACHIR)</p> <p>Corporate Priority 13</p>		<p>Committee meeting single item: 24 January 2024.</p> <p>Presentation/Paper Deadline: 11th Jan 2024</p> <p>Venue: Council House, Committee Rooms 3 and 4 at 10am</p>	Nonso Nwaiwu Senior Public Health Officer (BLACHIR)		

*Outcome: This will be populated once the item/topic has been completed. It will identify the added value and impact.

Birmingham and Sandwell Joint Health Overview and Scrutiny Committee

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
Sept 2023	Midland Metropolitan Hospital update Statutory Health Scrutiny Function	To receive an update on the development of the Midland Metropolitan University Hospital (MMUH)	Committee meeting single item: 27th Sept. Venue: Council House, Sandwell Council, Oldbury.		Jayne Ilic Director of Communication and Engagement, MMUH Programme Company.	
Sept 2023	Update on Changes to Day Surgery at Sandwell and West Birmingham Hospitals NHS Trust	To provide an update to the Committee on the ongoing work to implement the changes from the formal conversation to Changes to Day Surgery held between March 2022 and April 2022.	Committee meeting single item: 27th Sept. Venue: Council House, Sandwell Council, Oldbury.	Jayne Salter-Scott, Head of Public and Community Engagement, Sandwell and West Birmingham Hospitals NHS Trust.		
Sept 23	Patient Experience at Sandwell and West Birmingham Hospitals NHS Trust	To update the Committee about Sandwell and West Birmingham Hospitals NHS Trust's (SWB) approach to patient experience	Committee meeting single item: 27th Sept. Venue: Council House, Sandwell Council, Oldbury.	Jamie Emery, Patient Insight, and Involvement		
TBC	Scrutiny and Quality Assurance. Statutory Health Scrutiny Function.	To agree a 2–3-year schedule of reports on services within the Joint HOSC area including: CQC report Quality Account	TBC			

		Analysis of complaints and how this has driven service improvement Key risks / issues for the Trust.				
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*Outcome: This will be populated once the item/topic has been completed. It will identify the added value and impact.

Birmingham and Solihull Joint Health Overview and Scrutiny Committee

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July 2023	Report on 3 Independent Reviews of University Hospital Birmingham NHS Foundation Trust: Patient Safety Review Culture Review Well Led Review of Leadership and Governance Statutory Health Scrutiny Function	To provide assurance to the Committee on the outcome of the Well Led and progress on the Culture review and timescales and implementation of the recommendations of the Patient Safety Review. To consider the Healthwatch ground rules for the 3 Reviews and if these have been met.	Committee Meeting single item: Agenda item at Joint HOSC meeting 25th July 23 Deadline for reports 14th July 23 Venue: Council House, Committee Rooms 3 and 4	David Melbourne, BSOL ICB Chief Executive.	Prof. Mike Bewick, IQ4U Consultants Jonathan Brotherton, CEO UHB. Andy Cave, Healthwatch Birmingham.	Information requested on April 23 Joint HOSC: To receive a copy of the ICS analysis of the UHB Trust's <i>Standardised Hospital Mortality Ratio</i> (SHMR); To receive an annual summary of the learning that had taken place over the course of the year across UHB be brought forward and submitted to the JHOSC in future;

						<p>To receive a roadmap for the remaining reviews in terms of how they will report, expected dates/timescales/milestones.</p> <p>Outcomes:</p> <p>Update provided on reviews</p> <p>Public Engagement / Citizen voice: Engagement between patients families and UHB following deputation at meeting</p> <p>Assurance provided regarding Healthwatch ground rules.</p>
July 2023	<p>BSol ICS update on performance against finance and recovery plans</p> <p>Corporate Priority 8, 13 & 16</p>	<p>To update the members on the ICS financial position and recovery of healthcare services following the impact of the covid pandemic.</p>	<p>Committee Meeting single item: Agenda item at Joint HOSC meeting 25 July 23</p> <p>Deadline for reports 14 July 23</p> <p>Venue: Council House,</p>	<p>Paul Athey, BSOL ICS Chief Finance Officer</p>		<p>Outcomes:</p> <p>Update provided on ICS financial position and recovery of healthcare services.</p>

			Committee Rooms 3 and 4			
October 2023	Maternity Services at Heartlands Hospital Corporate Priority 13	To consider the CQC report findings and actions to be taken by the Trust.	Committee Meeting: Agenda item at Joint HOSC meeting 5th October '23. Venue: Council House, Solihull	Lisa Stanley-Green; ICB Chief Nurse/Deputy CEO. Angela Hughes: BSOL ICB Senior Quality Lead Maternity	,	
October 2023.	Birmingham and Solihull ICS Performance on Finance & Recovery plans. Corporate Priority 8, 13 & 16	To provide a summary of key performance and deliverables (as at end of July).	Committee Meeting: Standard agenda item at Joint HOSC meetings. 5th October '23. Venue: Council House, Solihull	Paul Athey, Chief Finance Officer		
Oct. 2023	West Midlands Ambulance Service Delivery Corporate Priority 8, 13 & 16	To consider the West Midlands Ambulance Service activities such as conveyance to hospitals, lost hours to handover delays, response time by call category, profile of Serious Incidents, actions taken by WMAS, high impact actions to make a difference, outcomes from a WMAS perspective	Committee Meeting: Agenda item at Joint HOSC meeting 5 th October '23. Venue: Council House, Solihull	Vivek Khashu: Strategy and Engagement Director, West Midlands Ambulance Service		

Oct. 2023	Winter Pressure Update Corporate Priorities 8, 13 & 16	To discuss the wider topic of winter pressures as part of A&E pressures and ambulance issues to be considered by Committee. A&E pressures were a perennial problem in winter. To discuss at October meeting ahead of winter.	Committee Meeting : Agenda item at Joint HOSC meeting 5th October '23. Venue: Council House, Solihull	Mandy Nagra, Integrated Care Board/ ICS Executive Chief Delivery Officer, BSoI ICB. Alan Butler, Associate Director of Delivery, Improvement and UEC, BSoI ICB.		
Jan.2024	ICS Work Force Planning. Statutory Health Scrutiny Function.	Update on ICS workforce planning in health and care sectors.	Committee Meeting: Agenda item at JHOSC meeting in January (Date TBC)	Senior ICB/ICS rep (TBC)		
Jan. 2024.	Scrutiny and Quality Assurance. Statutory Health Scrutiny Function.	To agree a 2–3-year schedule of reports on services within the Joint HOSC area including CQC report. Quality Account. Analysis of complaints and how this has driven service improvement. Key risks / issues for the Trust.	Committee Meeting: Agenda item at JHOSC meeting in January (Date TBC). Venue: BCC Council Offices.			
Jan 2024	Monitoring of implementation of Recommendations from UHB Reviews.	The ICS and UHB to report on the implementation of the recommendations from the UHB reviews.	Committee Meeting: Agenda item at JHOSC meeting			

	Statutory Health Scrutiny Function.		in January (Date TBC). Venue: BCC Council Offices.			
TBC	Update on post-covid syndrome / Long covid and rehabilitation. Corporate Priorities 13 & 16	To understand the impact of post covid syndrome / long covid and the services / support that is available.	TBC			
TBC	CQC report Birmingham & Solihull Mental Health Trust (BSMHST) Corporate Priorities 8 & 16.	To update the Scrutiny Committee on the CQC Inspection of BSMHST performance, including any progress on recommendations for action.	TBC			

*Outcome: This will be populated once the item/topic has been completed. It will identify the added value and impact.

Menu of Issues for Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Immunisation and vaccinations. Corporate Priorities 13 & 16	Immunisations and vaccinations for children under 5 Implications of covid immunisations rates for health and care staff	Task and Finish Group	This work could commence following the completion of the CYP mental health Inquiry.

<p>Primary Care Access</p> <p>Corporate Priorities 13 & 14</p>	<p>To report back on Final Draft of the Enabling Primary Care strategy</p>	<p>HASC.</p>	<p>Follow-up from presentation of draft strategy at September HASC meeting.</p> <p>Link to National GP recovery plan</p> <p>Suggested timescales to update on plan TBC.</p>
<p>ICS 10-year strategy.</p> <p>Corporate Priorities 8, 13 & 16</p>	<p>Highlights vision for the future and the conditions we need for change, so that people who live, work and receive care in Birmingham and Solihull can live longer, happier and healthier lives by 2033.</p>	<p>HASC/JHOSC.</p>	<p>Annual review of key strategic priorities. Suggested timescale April 24</p>
<p>CQC Pilot Inspection update</p> <p>Corporate Priorities: 10, 16</p>	<p>To update members on outcomes of CQC pilot inspection.</p>	<p>HASC</p>	<p>Pilot inspection carried out in August 2023. Awaiting report from CQC.</p>
<p>Birmingham City Council Commissioned Services:</p> <ul style="list-style-type: none"> • Birmingham Sexual Health Services • Birmingham Substance Misuse Services • Forward Thinking Birmingham <p>Corporate Priorities 8, 13, & 15</p>	<p>Report to come to Health and Adult Care OSC prior to recommissioning of the service to enable the Committee to inform Cabinet decisions.</p>	<p>HASC.</p>	<p>Comments submitted to Commissioners to inform tendering of Sexual Health Services during Autumn. Contract to start service in January 23.</p> <p>Contract for Substance Misuse Service to end March 2025. Health and Adult Social Care OSC to engage in process July 2024 to inform commissioning of service.</p>
<p>Birmingham Safeguarding Adults Board Annual report and priorities.</p> <p>Corporate Priorities 10, 13, 16</p>	<p>To update the Committee on the work of the Birmingham SAB such as: <i>Implementation of Strategic Priorities.</i> <i>Adult Safeguarding Data.</i></p>	<p>BASB to attend the Jan 23, 2024 HASC meeting.</p>	<p>Recommendation from Co-ordinating OSC that OSCs consider relevant aspects of Domestic Abuse in the work programme.</p>

	<i>Learning from Safeguarding Adult Reviews. Adult Safeguarding Issues related to Domestic Abuse.</i>		The Neighbourhoods OSC work programme includes: Informing the development of the new Domestic Abuse Prevention Strategy
Engaging with Third Sector providers of Adult Social Care Corporate Priorities 16	TBC	TBC	
Obesity and Food Strategy Corporate Priorities 8, 14 & 16	What actions have been implemented as part of the Food Strategy and what impact have these had? How will the medium and long terms impact be demonstrated? How has the strategy helped to reduce inequalities and food poverty?	TBC	Link to Food Strategy: Birmingham Food System Strategy Birmingham City Council
Population health and inequalities Corporate Priority 13		Task and Finish Group	How health has changed in your area - Office for National Statistics (ons.gov.uk)

Scrutiny Method Options:

Committee meeting - single item

Committee meeting - single theme

Task and Finish Group (outline number of meetings)

On location

Other - (describe)

Corporate Priorities, Performance and Outcomes

Corporate Priorities 2022 – 26:

- | | |
|--|---|
| 1 Support inclusive economic growth | 11 Increase affordable, safe, green housing |
| 2 Tackle unemployment | 12 Tackle homelessness |
| 3 Attract inward investment and infrastructure | 13 Tackle health inequalities |
| 4 Maximise the benefits of the Commonwealth Games | 14 Encourage and enable physical activity and healthy living |
| 5 Tackle poverty and inequalities | 15 Champion mental health |
| 6 Empower citizens and enable citizen voice | 16 Improve outcomes for adults with disabilities and older people |
| 7 Promote and champion diversity, civic pride and culture | 17 Improve street cleanliness |
| 8 Support and enable all children and young people to thrive | 18 Improve air quality |
| 9 Make the city safer | 19 Continue on the Route to Zero |
| 10 Protect and safeguard vulnerable citizens | 20 Be a City of Nature |
| | 21 Delivering a Bold Best in Class Council |

Information on the Corporate Priorities, Performance and City Outcomes was reported to the Health and Adult Social Care OSC in June 23: [Document.ashx \(cmis.uk.com\)](https://cmis.uk.com)

Homes Overview and Scrutiny Committee Work Programme 2023/24

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July	Voids – Improving Standards Corporate Priority: 11	To be confirmed by Task and Finish Group	Task and Finish Group meetings	Director, Housing Management – Stephen Gabriel		The Housing and Neighbourhoods O&S Committee in 2022-23 agreed to review Voids – Improving Standards. A Terms of Reference was approved in February 2023, and the Council’s City Housing service presented in March 2023. Committee members also took part in visits to City Housing void properties. The intention had been to continue into 2023-24. As there is now a dedicated Homes O&S Committee for 2023-24, the scope of these Terms of Reference will be reviewed at the first Task and Finish Group meeting.
September	Social Housing Regulation Bill Corporate Priority: 11	Provide information on what the Social Housing Regulation Bill means for the Council’s City Housing service. Understand how City Housing will achieve compliance with the Social Housing Regulation Bill, and preparation for inspection from the Regulator for Social Housing in April 2024	Committee meeting - single item: 21 September 2023, 2pm. Venue: Room 6, Council House	Head of Service, Strategic Enabling – Naomi Morris		This Bill intends to deliver the reforms outlined in the Social Housing White Paper and address the concerns following the Grenfell Tower fire in 2017. It will introduce a stronger and more proactive regulatory regime to improve standards and accountability for landlords for the services they provide.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
		Consider how Member insight can inform and drive improved services	Deadline for Papers: 12 September 2023			The agenda item will also outline progress toward inspections following the Regulatory Notice in May 2023. Outcome: Approved quarterly compliance meetings
September	Housing Ombudsman – Paragraph 49 Corporate Priority: 11	Outline the background to, and the key recommendations from, the Housing Ombudsman special report on Birmingham City Council Provide information on the progress made towards delivering on the recommendations from the Housing Ombudsman, Paragraph 49 report. Consider how Member insight can inform and drive improved services	Committee meeting - single item: 21 September 2023, 2pm. Venue: Room 6, Council House Deadline for Papers: 12 September 2023	Head of Service, Strategic Enabling – Naomi Morris		In January, the Housing Ombudsman published a special report on Birmingham City Council. The report made recommendations relating to repair handling; complaint handling; record keeping and compensation policy. Outcome: Approved quarterly compliance meetings
September	Scrutiny Contribution to Budget Savings and Recovery Plan	For the Committee to consider a report on current and future Budget Savings and Recovery Plans and implications for Homes Overview and Scrutiny Committee	Committee meeting - single item: 21 September 2023, 2pm. Venue: Room 6, Council House	Cllr Jayne Francis, Cabinet Member for Housing and Homelessness	Paul Langford, Strategic Director, City Housing	It was agreed at Co-ordinating Overview and Scrutiny Committee in July that all Scrutiny Committees will consider the implications of the Medium-Term Financial Plan at the September Committee meetings.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
			Deadline for Papers: 12 September 2023			
October	Exempt Accommodation Corporate Priority: 9, 10 and 11	Provide update on progress of outstanding recommendations from Exempt Accommodation inquiry. Consider the impact of the recommendations from the Inquiry	Committee meeting - single item: 19 October 2023, 2pm. Venue: Room 6, Council House Deadline for Papers: 10 October 2023	Cabinet Member for Housing and Homelessness, Cllr Jayne Francis Assistant Director, Housing Strategy and Enabling – Guy Chaundy		Exempt Accommodation Inquiry, 2021 Latest update to Co-ordinating O&S Committee (March 2023)
October	Scrutiny of Delivery of 2023/24 Budget Savings and Update on Council's Response to Section 114 Notice and Financial Recovery Plan Corporate Priority: 10, 11 and 12	Continue to scrutinise the existing 2023/24 savings. Consider the implications of recent events on the Committee's work programme.	Committee meeting – standing item: 19 October 2023, 2pm Venue: Room 6, Council House Deadline for Papers: 10 October 2023	Interim Strategic Director, City Housing - Paul Langford	TBC	Co-ordinating O&S Committee on 15.09.23 agreed that all committees should have a standing item on the delivery of existing savings for 2023/24 particular to the remit of the Committee.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
November		To be confirmed				
December		To be confirmed				
January	Regulatory Compliance Corporate Priority: 11 and 12	Provide oversight, scrutiny and productive challenge to City Housing while moving towards compliance with the requirements under the Social Housing Regulation Bill and the recommendations from the Housing Ombudsman special report.	Committee meeting – single theme: 25 January 2023, 2pm Venue: Room 6, Council House Deadline for Papers: 16 January 2023	Cabinet Member for Housing and Homelessness, Cllr Jayne Francis Interim Strategic Director, City Housing – Paul Langford		Following agreement in September 2023 to hold quarterly landlord compliance meetings, the cycle of meetings will commence in January 2023. This will enable Members of the Committee to receive bespoke training in advance of this first session.
February		To be confirmed				
March		To be confirmed				
April	Regulatory Compliance Corporate Priority: 11 and 12	Provide oversight, scrutiny and productive challenge to City Housing while moving towards compliance with the requirements under the Social Housing Regulation Bill and the recommendations from the Housing Ombudsman special report.	Committee meeting – single theme: 18 April 2023, 2pm Venue: Room 6, Council House Deadline for Papers: 9 April 2023	Cabinet Member for Housing and Homelessness, Cllr Jayne Francis Interim Strategic Director, City Housing – Paul Langford		Following agreement in September 2023 to hold quarterly landlord compliance meetings, the cycle of meetings will commence in January 2023. This will be the second time that this item will take place.

*Outcome: This will be populated once the item/topic has been completed. It will highlight the added value and impact.

Menu of Options for Future Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Affordable Housing	This will be confirmed following further discussions by the O&S Committee	This will be confirmed following further discussions by the O&S Committee	This will be confirmed following further discussions by the O&S Committee. However, there is a proposal for a single agenda item discussion at Committee. This will provide the Committee with a more detailed understanding of the strategy for Affordable Housing, with a view to identify areas for scrutiny to explore, if appropriate.
Customer Services – Housing Repairs	To be confirmed following July's Co-ordinating O&S Committee. Currently: Monitor the progress and impact of the recommendations from the Customers Services O&S programme	To be confirmed	Co-ordinating O&S Committee convened Task and Finish groups to identify, and monitor progress of, recommendations to improve customer services in 4 areas including Housing Repairs. A final Task and Finish group took place on 14 June 2023, and a report presented to Co-ordinating O&S in July. It was agreed that Homes O&S Committee takes forward this work for Housing Repairs in the future.
Tenant Engagement	This will be confirmed following further discussions by the O&S Committee.	This will be confirmed following further discussions by the O&S Committee	This will be confirmed following further discussions by the O&S Committee.

Scrutiny Method Options:

Committee meeting - single item

Committee meeting - single theme

Task and Finish Group (outline number of meetings)

On location

Other - (describe)

Corporate Priorities, Performance and Outcomes

Corporate Priorities 2022 – 26:

- | | |
|--|---|
| 1 Support inclusive economic growth | 11 Increase affordable, safe, green housing |
| 2 Tackle unemployment | 12 Tackle homelessness |
| 3 Attract inward investment and infrastructure | 13 Tackle health inequalities |
| 4 Maximise the benefits of the Commonwealth Games | 14 Encourage and enable physical activity and healthy living |
| 5 Tackle poverty and inequalities | 15 Champion mental health |
| 6 Empower citizens and enable citizen voice | 16 Improve outcomes for adults with disabilities and older people |
| 7 Promote and champion diversity, civic pride and culture | 17 Improve street cleanliness |
| 8 Support and enable all children and young people to thrive | 18 Improve air quality |
| 9 Make the city safer | 19 Continue on the Route to Zero |
| 10 Protect and safeguard vulnerable citizens | 20 Be a City of Nature |
| | 21 Delivering a Bold Best in Class Council |

Information on the Corporate Priorities, Performance and City Outcomes was reported to the Homes Overview and Scrutiny Committee OSC in June 2023:
[Decision Details: Homes Overview and Scrutiny Committee Work Programme 2023/24 \(15.00 - 15.45\) \(cmis.uk.com\)](#)

Neighbourhoods Overview and Scrutiny Committee Work Programme 2023/24

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July	Fly Tipping Enforcement Corporate Priorities: 17	To outline the current position in relation to fly-tipping with specific regard to: <ul style="list-style-type: none"> Identifying dedicated resources and which wards they are deployed in; Enforcement approach and how this is developing; How cameras are being used, and the specific impact of Grime Watch. <p>Understand if/ how this approach is making a difference to reduce fly tipping.</p> <p>Outline progress towards Cleaner Streets recommendations.</p>	Committee Meeting single item: 5 July 2023 at 2pm Venue: Committee Room 6, Council House Deadline for Papers: 22 June 2023	Darren Share, Director, Street Scene		The Committee will review this information with a view to considering whether they wish to undertake a more detailed inquiry. Related work from 2022-23: Reducing Fly tipping (April 2023) Cleaner Streets (April 2023) Performance Information (presented to Neighbourhoods O&S Committee, June 2023 by Programmes, Performance and Improvement) Co-ordinating O&S Customer Services (waste)
July	Community Safety Localities Approach Corporate Priorities: 9	To inform the development of a new localities approach with particular focus on how ward councillors can contribute towards identifying local priorities, problem solving and reviewing impact	Committee Meeting single item: 5 July 2023 at 2pm Venue: Committee Room 6, Council House	Pamela Powis, Acting Head of Partnership, Community Safety Team		This refers to the Local Partnership Delivery Groups which operate across the city. An all-day partnership event took place on 22 May 2023 to inform this new approach. Members were invited to attend.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
			Deadline for Papers: 22 June 2023			<p>The Neighbourhoods O&S Committee is the designated Crime and Disorder Committee for Birmingham. This will contribute towards discharging its duties.</p> <p>The statutory requirements, as Crime and Disorder Committee, are outlined here.</p> <p>Outcome: A list of the local managers for the six locations was provided to the Committee.</p> <p>The Delivery Plans together with contact details to be shared with Ward Councillors.</p>
August	Youth Justice Corporate Priorities: 8 and 9	To inform the annual Youth Justice Plan	Other - Briefing: 9 August 2023 at 2pm Venue: Committee Room 2 and on-line (hybrid)	Janine Saleh, Head of Birmingham Youth Offending Service, Birmingham Children's Trust	Dionne McAndrew, Assistant Director Vulnerable Young People, Birmingham Children's Trust	<p>This is an annual report. The most recent report was approved by Council in October 2022.</p> <p>The intention is to bring this report to pre-decision Scrutiny when the draft report is available. As there were no Committee meetings scheduled in August, the Chair requested a hybrid briefing. Members of the Education, Children and Young People's O&S Committee were also invited.</p>

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
						Outcome: Annual Plan updated.
September	Scrutiny Contribution to Budget Savings and Recovery	For the Committee to consider a report on current and future Budget Savings and Recovery Plans and implications for Neighbourhoods Overview and Scrutiny Committee	<p>Committee Meeting single item: Agenda at Neighbourhoods OSC Committee Meeting on 6 September 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 25 August 2023</p>	Craig Cooper, Strategic Director, City Operations, Neighbourhoods		<p>It was agreed at Co-ordinating Overview and Scrutiny Committee in July that all Scrutiny Committees would consider the implications of the Medium-Term Financial Plan at the September Committee meetings.</p> <p>Outcome: Members were informed of the Q1 budget savings position for the areas relating to the Committee remit. Members made suggestions for additional savings.</p>
October	Cleaner Streets Corporate Priorities: 17	Outline progress towards the Cleaner Streets recommendations, and impact to date. To understand the impact of the S114 Notice on any activities relating to the recommendations.	<p>Committee Meeting single item: 4 October 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 26 September 2023</p>	Cllr Majid Mahmood, Cabinet Member for Environment	Darren Share, Director, Street Scene	<p>In February 2023, the Housing and Neighbourhoods O&S Committee agreed key findings and recommendations for Cleaner Streets. This had followed informal best practice sessions with Derby, Rochdale and Wigan Local Authorities.</p> <p>In April 2023, Cabinet Member for Environment, Cllr Majid Mahmood attended O&S Committee to provide a formal response to the recommendations, and agreed to</p>

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
						report progress to future committees.
October	<p>Fly Tipping Enforcement</p> <p>Corporate Priorities: 17</p>	<p>Provide further information on how the Grimewatch initiative is progressing, and its impact.</p> <p>Provide further information on the enforcement approach (with specific regard to legal interventions).</p> <p>Analyse locality-based data and intelligence for fly tipping (as per recommendation 1 arising from the July O&S Committee)</p> <p>Share a snapshot of the Land Audit Management System (LAMS) ward information (as per recommendation 2 arising from the July O&S Committee)</p> <p><i>A separate demonstration of LAMS and 'Slab in the Cab' tablet to be organised so members can understand the mapping technology and data associated with fly tipping as well as the capabilities and reliability of the in-cab tablet.</i></p>	<p>Committee Meeting single item: 4 October 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 26 September 2023</p> <p>Other: Workshop demonstration of LAMS and Slab in the Cab technology</p> <p>Date: TBC</p>	Darren Share, Director, Street Scene		<p>The Committee developed the following recommendations seeking to understand the analysis of fly tipping data, how it's being used to develop interventions and the impact.</p> <p>Recommendation 1: The Street Scene Service undertakes an analysis of Locality based hotspot data and 'intelligence' – what's being dumped, who's likely to have dumped it and what's being done to try and stop them. Specifically, we also request the map data by Ward of waste items collected by locality during Love Your Environment Days. We request this is presented to the meeting of the Neighbourhoods Overview and Scrutiny Committee in October 2023. The report to the Committee should include a map of fly tipping hot spots across the city at ward level, the number of fly tipping incidents reported to or otherwise known to the Council, and the number of fines and prosecutions. Based on this analysis</p>

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
		Members will want to understand the impact of S114 Notice on any activities.				<p>of this information the Street Scene Service should develop a fly tipping prevention plan in consultation with the Neighbourhoods Overview and Scrutiny Committee that will aim to change behaviour and stop fly tipping occurring.</p> <p>Recommendation 2: Ward level information from the Land Audit Management System (LAMS) is shared with all relevant ward members. In the first instance, information on the snapshot of ranked wards and also the trend across wards for the previous 12 months will be shared with the members of the Neighbourhoods Overview and Scrutiny Committee at the October 2023 meeting to agree the level on detail that should be provided. Further work should then be undertaken to make this information available on the City Observatory and that this is circulated to elected members.</p>
November	Domestic Abuse	Consider the proposed Domestic Abuse Prevention Strategy	Committee Meeting single	Kalvinder Kohli, Assistant Director	Shirin Marashi, Senior Commissioning	A new Domestic Abuse Strategy is scheduled to be discussed at Cabinet for approval in January-

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
	Corporate Priorities: 10		<p>item: 1 November 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 23 October 2023</p>		<p>Officer, Adult Social Care</p> <p>Revinder Johal, Commissioning Manager</p>	<p>February 2024. This had initially been earmarked for December, but this will be too late as the strategy will be nearly complete. Therefore, the proposed timeline to present to O&S Committee is September – October 2023.</p> <p>Co-ordinating O&S Committee held a single theme meeting in February to review the previous strategy and input in the early stages of this strategy's development. A summary is provided here. A roundtable with service providers had also taken place to inform this review.</p>
November	Delays in Births and Deaths Registrations	<p>Provide an overview of, and demonstrate the impact of, the current engagement and work undertaken with the Coroner, partners and communities on steps to eliminate delays within the service.</p> <p>Outline the current progress towards developing a new mortuary facility for the city, including a permanent digital autopsy scanner.</p>	<p>Committee Meeting single item: 1 November 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 23 October 2023</p>	Sajeela Naseer, Director of Regulation and Enforcement	Bev Nash, Head of Service will be attending on behalf of Sajeela Naseer	<p>Following Council Resolution on 14 June 2022, a report responding to the Motion was presented to Housing and Neighbourhoods O&S Committee on 26 September 2022. A summary of the discussion is here.</p> <p>The Committee requested a further update in 4-6 months' time.</p>

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
December	Birmingham Community Safety Partnership Annual Report Corporate Priorities: 8, 9 and 10	Review the annual Birmingham Community Safety Partnership annual report **The Committee may identify specific areas they wish to consider at future meetings**	Committee Meeting single item: 6 December 2023 Venue: Committee Room 6, Council House Deadline: 27 November 2023	To be confirmed following BCSP Executive Board July	To be confirmed following BCSP Executive Board July	The Neighbourhoods O&S Committee is the designated Crime and Disorder Committee for Birmingham. The statutory requirements, as Crime and Disorder Committee, are outlined here .

*Outcome: This will be populated once the item/topic has been completed. It will highlight the added value and impact.

Menu of Options for Future Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Customer Services – Bereavement Services	Monitor the progress and impact of the recommendations from the Customers Services programme (as previously undertaken by Co-ordinating O&S Committee)	To be confirmed in October 2023	Co-ordinating O&S Committee convened Task and Finish groups to identify, and monitor progress of, recommendations to improve customer services in 4 areas including Bereavement Services. A final Task and Finish group took place on 12 June 2023, and a report presented to Co-ordinating O&S in

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
			July. It was agreed that Neighbourhoods O&S Committee takes forward this work for Bereavement Services in the future.
Customer Services – Waste	Monitor the progress and impact of the recommendations from the Customers Services O&S programme	To be confirmed in October 2023	Co-ordinating O&S Committee convened Task and Finish groups to identify, and monitor progress of, recommendations to improve customer services in 4 areas including Waste. A final Task and Finish group took place on 9 June 2023, and report presented to Co-ordinating O&S in July. It was agreed that Neighbourhoods O&S Committee takes forward this work for Waste in the future.
Localisation Corporate Priorities: 6, 7, 9, 17 and 21	To ascertain how the Leader proposes to take forward the localisation agenda	Committee Meeting single item	The Housing and Neighbourhoods O&S Committee discussed this item in April 2023. Related strategies, policies and plans can be found here . This item was deferred in October in view of the S114 Notice and proposed government intervention to allow further discussion.

Scrutiny Method Options:

Committee meeting - single item

Committee meeting - single theme

Task and Finish Group (outline number of meetings)

On location

Other - (describe)

Corporate Priorities, Performance and Outcomes

Corporate Priorities 2022 – 26:

- | | |
|--|---|
| 1 Support inclusive economic growth | 11 Increase affordable, safe, green housing |
| 2 Tackle unemployment | 12 Tackle homelessness |
| 3 Attract inward investment and infrastructure | 13 Tackle health inequalities |
| 4 Maximise the benefits of the Commonwealth Games | 14 Encourage and enable physical activity and healthy living |
| 5 Tackle poverty and inequalities | 15 Champion mental health |
| 6 Empower citizens and enable citizen voice | 16 Improve outcomes for adults with disabilities and older people |
| 7 Promote and champion diversity, civic pride and culture | 17 Improve street cleanliness |
| 8 Support and enable all children and young people to thrive | 18 Improve air quality |
| 9 Make the city safer | 19 Continue on the Route to Zero |
| 10 Protect and safeguard vulnerable citizens | 20 Be a City of Nature |
| | 21 Delivering a Bold Best in Class Council |

Information on the Corporate Priorities, Performance and City Outcomes was reported to the Neighbourhoods Overview and Scrutiny Committee OSC in June 2023: [Document.ashx \(cmis.uk.com\)](https://cmis.uk.com/Document.ashx)

Sustainability and Transport Overview and Scrutiny Committee Work Programme 2023/24

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
August	Highways PFI Corporate Priorities: 1 and 9	Inform the development of the proposed Highways PFI contract	Other – Briefing outside of Committee	PFI Contract Manager - Domenic De Bechi		This took place on 2 August 2023. Outcome – informed final report presented to Cabinet in September.
August	Active Travel Corporate Priorities: 1, 9, 14 and 19	Gather evidence for the inquiry, specifically carrying out site visits to identified locations within Birmingham	On Location	Head of Transport Planning – Mel Jones	Active Travel Portfolio Lead - Andy Middleton	Further information on this inquiry can be found in the Terms of Reference (CMIS > Meetings) agreed in July's O&S Committee. This will take place on Thursday 10 August, and will be hosted by Birmingham City Council's Transportation team. The identified locations are: A38 Bristol Road 'Blue Cycle Route'/Selly Oak High Street and some examples of cycle infrastructure in the City Centre
August	Active Travel Scheme Corporate Priorities: 1, 9, 14 and 19	Gather evidence for the inquiry, specifically to understand how the Council currently delivers Active Travel schemes	Task and Finish Group	Assistant Director, Transport and Connectivity – Phil Edwards	Head of Transport Planning – Mel Jones	Further information on this inquiry can be found in the Terms of Reference (CMIS > Meetings) agreed in July's O&S Committee.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
September	Active Travel Schemes Corporate Priorities: 1, 9, 14 and 19	Gather evidence for the inquiry, specifically to consider information from key stakeholders	Committee Meeting single item: 7 September 2023 at 2pm Venue: Committee Room 3 and 4, Council House Deadline for Papers: 30 August 2023	None	Better Streets for Birmingham, Pushbikes, Living Streets, Sustrans, 20s Plenty for Birmingham, Active Travel England, Transport for West Midlands, Cabinet Member for Transport, Officers from Transport & Connectivity (BCC)	Terms of Reference approved in July.
October	Road Safety Strategy Corporate Priorities: 9	Provide feedback on the proposed Road Safety Strategy	Committee Meeting single item: To be confirmed Venue: To be confirmed Deadline for Papers: To be confirmed	Head of Transport Planning and Network Strategy – Mel Jones Transport Planning Manager, Streetscape - Martin Rowe	None	This follows a Council Resolution on 18 April 2023 to involve the Overview and Scrutiny Committee in the development of this new strategy. A earlier session had taken place with the Committee on 19 April 2023.
October	Scrutiny of Delivery of	Continue to scrutinise the existing 2023/24 savings.	Committee meeting – standing	Strategic Director, Place,	TBC	Co-ordinating O&S Committee on 15.09.23 agreed that all committees

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
	2023/24 Budget Savings and Update on Council's Response to Section 114 Notice and Financial Recovery Plan	Consider the implications of recent events on the Committee's work programme.	item: To be confirmed Venue: To be confirmed Deadline for Papers: To be confirmed	Prosperity and Sustainability – Pal Kitson Strategic Director, City Operations – Craig Cooper		should have a standing item on the delivery of existing savings for 2023/24 particular to the remit of the Committee. This will be a standard item moving forward.

*Outcome: This will be populated once the item/topic has been completed. It will highlight the added value and impact.

Menu of Options for Future Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Bus Network	To be confirmed following further discussion at July Committee	To be confirmed. However, could consider on location and a visit to a bus garage	To involve multiple providers of bus services within the city
Clean Air Strategy	To monitor the impact of the strategy	To be confirmed	This item will also refer to the New Street Air Quality Plan
Customer Services – Highways Repairs	Monitor the progress and impact of the recommendations from the Customers	To be confirmed in September 2023	Co-ordinating O&S Committee convened Task and Finish groups to identify, and monitor progress of,

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
	Services programme (as previously undertaken by Co-ordinating O&S Committee)		recommendations to improve customer services in 4 areas including Highways Repairs. A final Task and Finish group took place on 7 July 2023, and a report presented to Co-ordinating O&S in July. It was agreed that Sustainability and Transport O&S Committee takes forward this work for Highway Repairs in the future.
Flooding	Understand the work undertaken to mitigate against flooding within the city over the past 12 months	To be confirmed	This is an annual report. Latest report to the Committee is here . Previously this item has been scheduled for March.
Parking Enforcement	For further consideration, as this item may be picked up as part of the Road Safety inquiry	To be confirmed. However this could consider on location visits.	
Rail	To be confirmed following further discussion at September Committee	To be confirmed. However, could consider on location including visits to stations under development	To involve other stakeholders, for example, WMCA.
Recycling and Waste Reduction	To be confirmed following further discussion at September Committee	To be confirmed	No further information at this time
Route to Net Zero	Consider how the Council is supporting community leadership	To be confirmed	If this is an in-depth piece of work, to be scheduled following the completion of the Road Safety topic. Therefore, this is likely to be picked up in early 2024.

Scrutiny Method Options:

Committee meeting - single item

Sustainability and Transport OSC

Committee meeting - single theme

Task and Finish Group (outline number of meetings)

On location

Other - (describe)

Corporate Priorities, Performance and Outcomes

Corporate Priorities 2022 – 26:

- | | |
|--|---|
| 1 Support inclusive economic growth | 11 Increase affordable, safe, green housing |
| 2 Tackle unemployment | 12 Tackle homelessness |
| 3 Attract inward investment and infrastructure | 13 Tackle health inequalities |
| 4 Maximise the benefits of the Commonwealth Games | 14 Encourage and enable physical activity and healthy living |
| 5 Tackle poverty and inequalities | 15 Champion mental health |
| 6 Empower citizens and enable citizen voice | 16 Improve outcomes for adults with disabilities and older people |
| 7 Promote and champion diversity, civic pride and culture | 17 Improve street cleanliness |
| 8 Support and enable all children and young people to thrive | 18 Improve air quality |
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Information on the Corporate Priorities, Performance and City Outcomes was reported to the Neighbourhoods Overview and Scrutiny Committee OSC in June 2023: [Document.ashx \(cmis.uk.com\)](https://cmis.uk.com/Document.ashx)

